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SELA SECRETARY ON DEBT PAYMENT, CREDITORS

PA050013 Quito Voz de los Andes in Spanish 1130 GMT 4 Jul 84

[Text] Somewhat avoiding the usual phrases used when the subject of the Latin American debt is broached, Sebastian Alegrett, executive secretary of the Latin American Economic System, SELA, said that the step from the planning stage to one of specific action, such as setting a fixed ceiling percentage on export revenues to be used to pay the debt, must be taken.

[Begin Alegrett recording] Latin American experiences have taught us that if 15 or 25 percent -- let us say 20 percent -- of the exports are used to pay the debt, this would be more bearable, lead to more reasonable adjustments that would not be recessive and destructive, and allow our economy to develop.

Therefore, the idea is to get adequate grace periods -- perhaps a 7-year grace period and 15 years to pay the entire debt. Such a policy is possible and would allow the economic recovery of the countries while they continue to enforce their various austerity policies. It is obvious that the debt will continu- to hang over our economies during the next 5 years. An interest rate that everyone would be willing to pay could be established as well as a maximum time limit in which the debt can be paid. I believe that all of the listeners know that (?today's) interest rates are much higher than the original interest rates at the time Latin America reached this level of indebtness. [Words indistinct] I believe that we must first get the countries to decide to take joint actions. [end recording]

However, the SELA executive explained that these actions do not imply a confrontation with the creditor countries.

[Begin Alegrett recording] I do not believe there is an attitude of confrontation or an aggressive attitude against the creditor countries. We are just defending ourselves against a policy. We do not intend to adopt an aggressive attitude. I do not believe Latin America should act in a way that could be considered aggressive, but should instead undertake actions of defense against a currently unbearable situation and one caused by situations foreign to us. These measures were adopted unilaterally without our participation and without taking our interests into considerations. I do believe that there is a series of actions that can be adopted. [end recording]

Sebastian Alegrett is currently in Quito where he met with Ecuadoran President Osvaldo Hurtado Larrea.

ANDEAN PACT COORDINATOR DISCUSSES TRADE

PY041824 Madrid EFE in Spanish 0456 GMT 4 Jul 84

[Excerpt] Lima, 3 Jul (EFE) -- Pedro Carmona, the coordinator of the Cartagena Accord Board, on 3 July in Lima stated that between 1980 and 1983 the member-countries of the Andean Pact have lost $3 billion because of the industrialized countries' neoprotectionistic measures and the worsening of the terms of trade.

Carmona explained that this situation was a "key element" in the relationship between a solution to the foreign debt problem and fair international trading terms. He said that unless the products exported by the Andean Pact are given better access to the markets of the industrialized world, strict conditions for the payment of the foreign debt -- which amounts to $65 billion -- will be out of the question, because that will mean sacrificing the development expectations of our peoples.

ALFONSIN STRESSES NEED FOR NEW ECONOMIC ORDER

PY042240 Buenos Aires TELAM in Spanish 2050 GMT 4 Jul 84

[Text] Cordoba, 4 Jul (TELAM) -- President Raul Alfonsin today alluded here to the possibility that Argentina and Chile may grant each other the right to operate ports in the Atlantic and the Pacific, "thus building the foundation of an integration principle that will be an example in this continent, after the two nations have overcome their border problems."

Speaking at the opening ceremony of the Fourth International Cordoba Fair (FICO-84), the president pointed out that universal peace is linked with universal justice. He criticized developed countries, stressing that the North must understand the need for a new international economic order.

President Alfonsin announced the decision to create a foreign trade federal council in order to favor regional economies, whose products will be considered as important as manufactured products from the standpoint of the promotion of nontraditional exports.

Alfonsin said that the Cordoba fair reflects not only the willingness to produce but also to export, and we need to export in order to meet our external obligations on the basis of work and not on the starvation of the people, he remarked.

COMMUNIQUE REPORTS ANTI-ARMED FORCES CAMPAIGN

PY031452 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1205 GMT 3 Jul 84

[Excerpt] Buenos Aires, 3 Jul (NA) -- The chief of staff of the Army has sent a message to all Army units reporting that there is "a campaign orchestrated by certain sectors to undermine the prestige of the Armed Forces in general and the Army in particular. The communique states that the actions undertaken by Army Chief of Staff General Jorge Arguindegui were not intended for the purposes ascribed to them by the press.

Furthermore, the Army has confirmed that the meeting of high-ranking officers scheduled for Tuesday, 10 July, will take place.

Reliable sources who were belied yesterday by the defense minister and the chairmans of the defense committees of the Senate and the Chamber of Deputies, Antonio Berhongaray and Balbino Zubiri, respectively, had reported that General Arguindegui had reported an internal conspiracy in the Army designed to oust him. Speaking to NOTICIAS ARGENTINAS, Berhongaray guaranteed that he personally had heard no such charges from Arguindegui, but added that if the general did, in fact, make them, "he must have had a reason."

STAFF CHANGES REPORTED IN DEFENSE MINISTRY

Arguindegui Retires

PY050234 Buenos Aires TELAM in Spanish 0219 GMT 5 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- In his capacity as commander in chief of the Armed Forces, President Raul Alfonsin has accepted the retirement request submitted by General Jorge Arguindegui, who was until today the Army chief of staff. Alfonsin appointed General Ricardo Gustavo Pianta, who was until today the Army deputy chief of staff, to replace Arguindegui.

Communique on Changes

PY050301 Buenos Aires TELAM in Spanish 0230 GMT 5 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- The Ministry of Defense tonight released a communique reporting the retirement of the chief of the Army General Staff and of the Cordoba-headquartered III Corps Commander, Brigadier Generals Jorge Arguindegui and Pablo Mansilla, respectively. The communique states: "It is hereby reported that during a meeting held with the defense minister tonight, Gen Jorge Arguindegui submitted his retirement. His request was accepted. It is also reported that Brigadier General Gustavo Ricardo Pianta was designated chief of the Army General Staff.

"Brigadier General Pedro Pablo Mansilla, who was the III Corps commander, retired tonight."

III Corps Commander Dismissed

PY050336 Buenos Aires DYN in Spanish 0322 GMT 5 Jul 84

[Text] Buenos Aires, 4 Jul (DYN) -- The Defense Ministry tonight clarified that III Corps Commander General Pedro Mansilla retired because he was removed from his post. This clarification was made by an authoritative Defense Ministry spokesman since this information was not included in the communique released initially.

AIR FORCE CHIEF OF STAFF MEETS WITH SUBORDINATES

PY041524 Buenos Aires TELAM in Spanish 1229 GMT 4 Jul 84

[Text] Buenos Aires, 4 Jul (TELAM) -- It was officially reported today that Major General Teodoro Guillermo Waldner, chief of staff of the Argentine Air Force, has been meeting since 0900 [1200 GMT] with brigadier generals and unit commanders from all over the country to discuss internal institutional issues. The meeting is taking place at the Condor Building, the Air Force headquarters.

ECONOMY MINISTER ANNOUNCES 12-PERCENT WAGE HIKE

PY041912 Buenos Aires BUENOS AIRES HERALD in English 4 Jul 84 p 1

[Text] The Economy Ministry late last night announced private sector wage increases of 12 percent. Pensions were also hiked 12 percent, but an additional 11 percent is to be included to make up for the erosion of pensions during the second quarter of this year. Public sector wage hikes will be announced "within the next few days," the ministry added.

FOREIGN MINISTRY AIDE DECRIES U.S. FISCAL POLICY

PY042120 Buenos Aires Domestic Service in Spanish 2000 GMT 4 Jul 84

[Excerpts] Raul Alconada, the Foreign Ministry under secretary for Latin America affairs, has referred to the difficulties that must be overcome to repay the foreign debt. Concerning the increase o interest rates decreed by U.S. banks, Alconada said that interest rates will continue their upward trend while the current U.S. fiscal policy remains unchanged because the U.S. Government needs capital to finance its own debt.

He pointed out that despite the Latin American persistence in promoting foreign trade, it is the United States which has closed the doors to our exports by subsidizing products and by fixing their prices. That is why, he said, we have asked the debtor countries to undertake feasible intitiatives, doing away with obstacles that may greatly hinder our possibilities.

INTERIOR MINISTER DISCLOSES PLAN TO KILL SILES

PY031432 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Text] Interior Minister Federico Alvarez Plata has disclosed that Colonel Rolando Saravia Ortuno was the mastermind of the recent political conspiracy and that the president's kidnapping was part of the plan. The minister added that the kidnapping was to end with the assassination of President Siles Zuazo, and that this is the reason this criminal-political event is much more serious than people realize.

Minister Alvarez was asked about some reports questioning the veracity of the president's kidnapping and the relationship between the masterminds and the perpetrators of the kidnapping and a coup.

Alvarez responded: I would like to tell those who doubt the veracity of the despicable kidnapping that they doubt it either for political reasons or because thay want to hide their direct or indirect participation in it. He added: The event that took place, which is known at the national and international levels, could not have been invented, particularly considering the president's political background and integrity. He added that it was absurd to doubt a real event that not only compromised the life of the president but also the security of the nation.

SPOKESMAN DISCUSSES REFUGEES IN LA PAZ EMBASSIES

PY031338 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Excerpts] Jorge Crespo Velazco, under secretary of the Foreign Ministry, has reported that the six kidnappers of President Siles Zuazo turned themselves in to Bolivian courts yesterday afternoon.

Crespo Velasco also said: The national government will not conduct any negotiations to clarify the status of the refugees in the Venezuelan Embassy. Their status must be determined by the Venezuelan Embassy.

Last night the Bolivian foreign minister reported that three brothers asked for asylum in the Uruguayan Embassy as a result of the events that took place last Saturday. He said that their names are Luis, Jose Carlos, and Cesar Zevallos Soto. All three are lawyers.

No details were given on their connection with Saturday's events. The foreign minister added that his office is not aware that other people are seeking asylum in embassies in La Paz. There are seven people who were involved in the kidnapping in the Venezuelan Embassy.

MEMBERS OF LEOPARDS POLICE UNIT IN CUSTODY

PY031520 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Text] Official sources have indicated that 250 members of the Leopards police unit are under preventive custody until their responsibility in the recent events is established. According to reports, several members of the unit took part in the president's kidnapping on 30 June.

It has been reported that an investigation has begun to establish their responsibility so that they can be punished in accordance with current regulations.

SECURITY ORGANIZATIONS ARREST SEVERAL PEOPLE

PY031504 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Excerpt] As a result of the president's kidnapping over the weekend, in the last few hours security organizations of the Interior Ministry have arrested several people. Authorized spokesmen have indicated that the people under arrest reportedly include former Interior Minister Alfredo Arce Carpio; Marcelo Galindo, a former minister in Hugo Banzer's administration; and politicians Gaston Ponce Caballero, Hugo Inchausti, (Jose Neptala), and Enrique Crespo.

Colonel Norberto Salomon was reportedly arrested by Interior Ministry security organizations in Santa Cruz; Colonel Salomon is a member of the Bolivian Air Force. Colonel Rolando Saravia is at large, according to information provided by the military high command and the Interior Ministry. Military sources have also reported that eight people are reportedly being held for interrogation in the Army Intelligence Department. Their names were not released, for obvious reasons.

It has also been reported that police Colonel Edgard Prudencio has surrendered. He is charged with being involved in the events of last weekend. Colonel Prudencio is now being interrogated. Military sources have also indicated that the officers found guilty will be punished in accordance with military regulations. The arrest of Lieutenant Daniel Ortiz has also been confirmed. He was reportedly involved in the take over of the offices of the Automatic Telephone COmpany, TASA. The same sources added that the officers of the Mobile Patrol Unit are being guarded in their unit until they are found either innocent or guilty. It has been reported that two TASA employees have been arrested. They are (Ausberto Grous) and (Marcela Aguilet). Pedro Villanueva is at large and (Alberto Rico) has been arrested.

MNRI REJECTS CHARGES AGAINST MINISTERS

PY042330 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Text] Carlos Perez Guzman, head of the Nationalist Revolutionary Movement of the Left [MNRI] has sent a communique to Panamericana pointing our that the ultraleftist sector wants to divide the MNRI. We challenge pseudo union leaders Filemon Escobar and Victor Lima to immediately produce evidence of the interior and defense ministers' participation in alleged coup actions.

The communique states: With deep concern we have realized that the ultraleftist sector want to divide our party, the MNRI. We charge that pseudo union leaders Filemon Escobar and Victor Lima, whose Trotskiyist and internationalist trends are well known, are responsible for this attempt. We challenge them to immediately produce evidence of the participation of MNRI members Ministers Federico Alvarez Plata and Manuel Cardenas Mallo in alleged coup actions.

The document adds: We want to point out to the public that our position has always followed a nationalistic and pro-Bolivian course. The aspirations of these Marxist ideologists have been frustrated by the defense and interior ministers. That is why they want to take advantage of the political situation to discredit the two ministers, who are honest leaders who are well known supporters of MNRI principles. All charges that Alvarez Plata and Cardenas Mallo have betrayed the MNRI nationalistic and revolutionary principles are false. The communique stresses that the representatives of the ruling party have rejected this unscrupulous and irresponsible charge.

COCHABAMBA OFFICERS OBEY ORDERS CLOSING SCHOOL

PY031609 La Paz Cadena Panamericana in Spanish 1130 GMT 3 Jul 84

[Text] The commander of the Cochabamba Mariscal Andres de Santa Cruz Command and General Staff School, General Guillermo Velez Salmon, and the student officers are on leave from school activities. Thus, the solution to the problem created by their request some 20 days ago is left in the hands of the military high command and the president. This information was provided by General Victor Vargas Rios, commander of the 7th Army Division. He said the problem has been virtually overcome because the student officers obeyed their instructions to take leave, thus leaving the resolution of their demands in the hands of the military high command and the president. Gen Victor Bargas Rios said that an investigation into the problems created by the school will be conducted after the student officers return from leave next Saturday.

UDP LEADERS DENOUNCE ATTEMPTED COUP AT RALLY

PY031850 La Paz Radio Illimani Network in Spanish 1100 GMT 3 Jul 84

[Excerpt] The principal leaders of the Democratic and Popular Unity [UDP] delivered impromptu speeches yesterday during the Bolivian Labor Federation [COB] organized rally, where the people expressed their rejection of the coup attempt. At the foot of the monument to the unknown soldier, Movement of the Revolutionary Left [MIR] leader Antonio Aranibar pledged that the UDP front will advance toward the liberation of the Bolivian people. Following are excerpts of what he said:

[Begin Aranibar recording] The defeat of the coup attempted on 30 June, a defeat that saved the life of the president, the popular government, and the democratic movement, was achieved by the people, all their institutions, the political party members of the UDP, and the patriotic military who added their support to our glorious unity. When we reiterate the unitary leanings of our front and our party, the popular roots of our government, and the unitary nature of our democratic process, we are in fact advancing toward the nationwide liberation of our people. This is the way, companeros, for the people, the masses [words indistinct] the Government Palace and the streets of [words indistinct], companeros. [end recording]

The leader of the Bolivian Communist Party, Marcos Domic, spoke next. He claimed that in general the people were asking the government to comply with the popular program agreed upon by the nation. He labeled "historical," within the democratic process, the fact that part of the Armed Forces showed their conviction that the liberties on which democracy is based must be defended. This is what the communist leader said:

[Begin Marcos Domic recording] Throughout this rally two strongly related elements have demonstrated the will of the Bolivian people. The first element is the general demand of the people that the UDP government, our government like Companero Aranibar says without prejudice, comply with the popular program it has promised the people and which it should have (fulfilled). [applause and shouts] This is the only way to link the government and the masses. What I mean is that if we interpret the will of the masses, this process will not only comply with its democratic stage but it will also fully comply with the stage of social and national liberation [word indistinct], companeros. [end recording]

'ABORTED COUP' INTENDED TO ERADICATE COMMUNISM

PY040130 La Paz Cadena Panamericana in Spanish 0000 GMT 4 Jul 84

[Text] According to statements by persons involved in the kidnapping of President Hernan Siles Zuazo, the coup that should have taken place on Saturday was supported by the deputy commanders of some military units. The sources pointed out that Colonel Rolando Saravia Ortuno, former agriculture minister during General David Padilla Arancibia's de facto regime, had had an active participation in the aborted coup. It was also stated that the coup failed as a consequence of the betrayal of the main plotters.

However, the sources stated that they were unaware of the political-military leaders of the coup and that as a consequence they did not know which civilians were involved in the events that took place last Saturday. According to statements to the media, a problem of coordination and organization caused the coup to fail. The sources stated that the president's kidnapping was not part of the subversive plan that really sought to arrest some ministers of state and some leaders of the Bolivian Labor Federation. The coup was aimed at erradicating communism from the government, they said.

The sources said that the pro-Soviet Communist Party has managed to introduce foreign individuals into the country that, in some cases, are carrying out repressive measures against the Bolivian citizens themselves. The sources ended by stating that there were several officers of the Bolivian Armed Forces involved in the aborted coup of last Saturday.

DEFENSE MINISTER CRITICIZED, EXPLAINS POSITION

PY050144 La Paz Cadena Panamericana in Spanish 1130 GMT 4 Jul 84

[Text] Defense Minister Colonel Manuel Cardenas Mallo, retired, has been the target of criticism before and after the abduction of the president. It should be recalled that Filemon Escobar, the only leader who spoke at the Bolivian Labor Federation [COB]-sponsored rally in support of the democratic process, publicly said that the minister must explain his conduct in relation to the problem that arose at the Cochabamba Military School. Asked about the matter, Cardenas Mallo gave an explanation inconsistent with the position that he adopted when dealing with the Cochambamba issue. The minister was also asked by reporters to give his opinion on the statements by (Rodan Pando), who had reportedly said that the coup was planned by some sectors within the government. He is thus defending himself against the charges that have been publicly leveled by the COB and by a former member of the cabinet of President Siles Zuazo.

COL SARAVIA, 2 OTHERS DISHONORABLY DISCHARGED

PY031316 La Paz Cadena Panamerican in Spanish 1130 GMT 3 Jul 84

[Text] A colonel, a major, and a lieutenant have been given dishonorable discharges from the Army. The officers are: Colonel Rolando Saravia Ortuno, Major Luis Ardaya Roca, and Lieutenant Celso Campos Pinto. The dishonorable discharges were ordered by a military court.

The military court resolution is entitled: The Army General Command orders the discharge of the officers involved in the kidnapping of President Siles Zuazo. The resolution says: By resolution of the Army Court, after establishing that some Army personnel were involved in the despicable kidnapping of the constitutional president of the Republic and captain general of the Armed Forces, Hernan Siles Zuazo, aimed at interrupting the democratic process, the Army General Command has ordered the dishonorable discharge of Colonel Rolando Saravia Ortuno, Major Luis Ardaya Roca, and Lieutenant Celso Campos Pinto. The Army General Command document also says: The Army General Command, after a thorough study of the investigation of the events that took place in the country, which are public knowledge, established that the above-mentioned members of the Army were the masterminds and perpetrators of the events that took place.

CEN TORDOYA RELEASES COMMUNIQUE ON KIDNAPPING

PY041602 La Paz Cadena Panamericana in Spanish 1130 GMT 4 Jul 84

[Text] The Army commander is demanding severe punishments for the people involved in the kidnapping of President Hernan Siles Zuazo last weekend, an event that created concern at the national and international levels. Army Commander General Simon Sejas Tordoya has released a communique that was delivered to the communications media. The document says:

I would like to address my comrades in arms and the Bolivian people about the special circumstances which have been overcome with the participation of all social sectors of the country and the international community, which identifies with the Bolivian democratic process. Ever since the state of law was established in October 1982, the Army has invariably maintained its respect for and obedience to the rules established by the Constitution. This attitude drew respect from the people, who saw in the military institutions the guarantee for the peaceful coexistence of the Bolivian people within the constitutional and legal framework.

The Army General Command was able to preserve its unity by faithfully complying with Army regulations, because the future of the institution lies in maintaining the command structure and obeying the law and military discipline. The large and small units, institutes, and military facilities of the Army strived to become worthy of the people's trust by staying out of any sectorial political involvement. The inducement and other subtle means used by discharged officers in concomitance with political enemies of the democratic process did not find the military cadre responsive as as in the past these people used for their own benefit only a few officers to involve them in activities that violate the professional ethics of men in uniform.

Our social awareness in inspired by the great military figures of our history, Busch and Villaroel, who gave their lives in the service of their people, who have now also massively expressed, along with the military institutions, their solidarity with the democratic process, a process that is essential for the peaceful coexistence of all Bolivians who want to live under a legal system that ensures public freedom, civil rights, and democratic pluralism guaranteed by the military institution, which is the pillar of the Bolivian nation. The Army, which teaches patriotism every single day even in the remote units of the nation, renders its fervent homage to the national flag. This is the sacred symbol of the fatherland, which we will always defend with the sacrifice of our own lives.

There is full conviction in the Army that its organization depends on the command structure and discipline. The Army is basically obedient, there is not [words indistinct] obeying the law and military regulations. The Army, as a military organization is not involved in political activities as established by the Constitution. When the country was taken by surprise by an unusual event, the kidnapping of President Hernan Siles Zuazo, the Military High Command ordered a state of emergency, ordering all units confined to their barracks. All units without exception obeyed the Constitution and the three legally established government branches. All units obeyed their commands, expressing their repudiation of the kidnapping of the captain general of the Armed Forces. Those who were involved in this serious crime must be severely punished in accordance with our current laws. I would like to take this opportunity to congratulate all members of the Army for their exemplary loyalty and faithful obedience to the Constitution, which received national and international recognition.

FSB REJECTS INVOLVEMENT IN KIDNAPPING

PY031804 La Paz Cadena Panamericana in Spanish 1700 GMT 3 Jul 84

[Text] The Bolivian Socialist Falange [FSB] has categorically rejected the charges that this political party was involved in the kidnapping of President Hernan Siles Zuazo this past weekend. This declaration was telexed to Radio Panamericana by FSB President David Anez. The message says that the FSB would like the Interior Ministry to clarify this in order not to damage the image of people and political forces which are committed tothe will of the people. The message adds that the Democratic and Popular Unity government is trying to tarnish the public activities of the FSB, activities which strictly comply with the law.

COB CALLS INDEFINITE NATIONWIDE STRIKE 5 JUL

PY050005 Madrid EFE in Spanish 2342 GMT 4 Jul 84

[Text] La Paz, 4 Jul (EFE) -- The Bolivian Labor Federation (COB) today declared an indefinite general strike which will go into effect nationwide on Thursday, 5 July. The COB expressed its disagreement with the decrees approved today by the government of President Hernan Siles Zuazo.

The COB described these decrees as "merely administrative" measures. COB leaders said that these decrees will not be instrumental in solving the serious economic crisis the national majority sectors have been experiencing. This strike is called 4 days after the kidnapping and subsequent release of the Bolivian president.

COB LEADER EXPLAINS REASON FOR GENERAL STRIKE

Leader Explains

PY050121 Paris AFP in Spanish 0035 GMT 5 Jul 84

[Excerpt] La Paz, 4 Jul (AFP) -- The powerful Bolivian Labor Federation (COB) has decreed an indefinite general strike which will go into effect at midnight 4 July [0400 GMT, 5 July], COB Secretary General Oscar Sanjines Rodriguez today told AFP. The strike was decreed in view of the failure of the government to comply with t economic agreements concluded recently, Sanjines said.

The decision was made at the end of a meeting held by COB leaders to discuss 20 draft decrees sent by the government to the COB in a last attempt to prevent the strike.

ARCE GOMEZ, RICO TORO REPORTEDLY IN COUNTRY

PY032231 Buenos Aires TELAM in Spanish 2150 GMT 3 Jun 84

[By a special correspondent]

[Text] La Paz, 3 Jul (TELAM) -- Colonel Luis Arce Gomez and General Rico Toro, both (?interior) ministers of the de facto government of General Luis Garcia Meza, were seen 60 km from La Paz with heavily armed bodyguards, it was reported today in some sources linked to the Bolivian Interior Ministry.

It has also been said that former President Hugo Banzer Suarez is reportedly at his ranch in Santa Cruz de la Sierra, 650 km southeast of La Paz, where former Argentine officer Guillermo Suarez Mason is also reportedly staying.

FOREIGN MINISTER TO VISIT BELGIUM, U.S.

PY040210 Paris AFP in Spanish 2345 GMT 3 Jul 84

[Text] La Paz, 3 Jul (AFP) -- It was officially reported here today that Bolivian Foreign Minister Gustavo Fernandez will travel to Belgium at the end of this month.

In Brussels, Fernandez will sign an agreement with the EEC seeking cooperation for the successful development of the round table on international cooperation for Bolivia that will be held during August in La Paz.

The round table will help to identify the development projects that will allow Bolivia to control the acute economic crisis that it has been experiencing for the past 3 years. After visiting Brussels, the Bolivian foreign minister will travel to New York and Washington.

FIGUEIREDO SENDS LETTER TO PRESIDENT REAGAN

PY051217 Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Jul 84 p 17

["Text" of President Figueiredo's 3 July letter to President Ronald Reagan]

[Text] Dear President: I very much appreciate the courtesy of your 26 June letter. I had particular satisfaction upon learning that Your Excellency and the other chiefs of government at the London meeting paid special attention to the economic difficulties which the serious situation of foreign indebtedness imposes on many Latin American countries.

2. As far back as December 1982, in conversations I had the pleasure of having with Your Excellency, we began to discuss that question which has since become a pressing one due to the unusual conjunction of adverse external factors. Unfortunately, during the 18 months that have elapsed since then the situation has grown considerably worse, to the point of persuading me to join other Latin American chiefs of government in addressing a letter to the London summit participants.

3. With satisfaction I thus see Your Excellency confirming for me the impression I gathered from the London communique that at the meeting of the seven main developed countries positive steps were taken toward adopting more flexibility in the treatment of the foreign debt issue, including the idea of multiannual rescheduling. The disposition to proceed with a more intense discussion of financial matters of interest to the developing countries at the development committee of the World Bank is also a constructive gesture.

4. The progress made at the London meeting regarding the foreign debt question, beginning with the importance attached to it, reveals the existence of an area for dialogue and understanding among the governments of the countries participating in the London summit and the governments of the debtor countries. At the meeting of 11 debtor countries, including Brazil, held on 21-22 June in Cartagena, Colombia, during which these countries kept very much in mind the result of the London summit, a set of principles and propositions were defined in the form of a broad "consensus" which in our view constitutes a valid, realistic, and practical base to search for measures capable of solving the heavy problem of the foreign debt, thus contributing to creating conditions favorable for the resumption of economic development.

5. Through diplomatic channels, the U.S. Government will be apprised of the "Consensus of Cartagena." For my part, I want to express to Your Excellency the unabated concern of the Brazilian Government over the indebtedness crisis and its economic, social, and political consequences, as well as my deep conviction of the need for an urgent analysis at the governmental level, in broader and inter-related terms, of such a serious and multifaceted question. The urgency of this question is undeniably heightened by the current interest rates and by the possibility that they may increase even more -- a fact that the U.S. Government has stated it is also concerned about. The economic hardships and the political tensions, which are already threatening to engulf various indebted countries, may yet rise to unbearable levels if the external adverse factors should continue to effect their economies.

Based on the London conclusions and the "Consensus of Cartagena," I believe that particularly favorable conditions now exist for holding a more ample dialogue among governments of lending and borrowing countries.

With much satisfaction I have noted the disposition Your Excellency expresses to keep an open mind for an exchange of views on questions related to the foreign debt, and I reassure Your Excellency, as it was stressed in the "Consensus of Caratagena," of Brazil's and other Latin American countries' disposition to proceed with a joint consideration of the foreign debt question in all its aspects and consequences. This will make possible a search for measures that, safeguarding the interests of all the parties involved, may solve the difficult problem posed by the foreign debt and may help to create conditions favorable for resumption of economic development by the debtor countries, as well as to contribute to the sustained expansion of international trade and economy.

I seize this opportunity to renew the high consideration in which I hold Your Excellency.

FIGUEIREDO, GUINEA-BISSAU'S VIEIRA SIGN STATEMENT

PY040200 Brasilia Domestic Service in Portuguese 2200 GMT 3 Jul 84

[Text] In a joint statement signed today, Brazilian President Joao Figueiredo and his Guinean counterpart Bernardo Vieira condemned racial discrimination, pledged to strengthen bilateral ties, and agreed to implement cooperation programs in the energy and mining areas. The statement was signed during a meeting that was also attended by the Brazilian and Guinean foreign ministers, Ramiro Saraiva Guerreiro and Fidelis de Almada, respectively.

PDS LIBERAL GROUP TO DECIDE ON MANIFESTO

PY031441 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 3 Jul 84

[Report from Brasilia by Carlos Rodrigues]

[Excerpts] The liberal group in the Social Democratic Party [PDS] led by Vice President Aureliano Chaves and Senators Marco Maciel and Jose Sarney will decide today when to release the manifesto announcing their separation from the PDS leadership and assuming a new course of action in the presidential succession process.

The liberal PDS dissidents are divided. The vice president and a faction of the group defend releasing the manifesto only after the PDS national meeting, which is to be held on 5 July to decide whether primary elections for the designation of a PDS candidate will be held.

The other faction led by Senators Marco Maciel and Jose Sarney favors releasing the manifesto this Friday. Maciel has admitted that the releasing the manifesto has been postponed, but he has denied these are disagreements within the liberal group.

Maciel has not yet confirmed whether his and Chaves' candidacies will be withdrawn this Friday as scheduled. He said that no decision has yet been made regarding the support of the liberal group to Tancredo Neves' candidacy.

Further Report

PY031718 Sao Paulo Radio Bandeirantes in Portuguese 1555 GMT 3 Jul 84

[Text] The Social Democratic Party [PDS] dissidents will assume an independent position in relation to their party immediately, with or without Vice President Aureliano Chaves.

This statement was made today by Senator Guilherme Palmeira, one of the organizers of the so-called liberal front. He made this statement when Senator Marco Maciel, one of the presidential hopefuls, discarded the possibility of a reunion with Planalto Palace, regardless of any new event.

Reporter Carlos Rodrigues will give us further details on this issue.

[Begin recording] The situation is very complicated. The meeting of the PDS liberal group headed by Vice President Aureliano Chaves and by Senators Marco Maciel and Jose Sarney is continuing at Jaburu Palace, the official residence of the vice president. The meeting has been going on for almost 2 hours. This group must decide whether to release today the manifesto announcing their separation from the PDS leadership and assuming a new course of action in the presidential succession process.

The liberals are divided. The vice president and a faction of the group are defending the release of the manifesto only after the meeting of the PDS national board, which is to be held on 5 July to decide whether primary elections will be held to choose the PDS candidate to succeed President Figueiredo.

The other faction, led by Senators Marco Maciel and Jose Sarney, want to release the manifesto today. This group feels that Paulo Maluf's supporters will not allow the realization of primary elections.

We will return at any time with more news on the results of this important meeting referring to the presidential succession issue. [end recording]

Will Not Participate in PDS Meeting

PY031955 Sao Paulo Radio Bandeirantes in Portuguese 1805 GMT 3 Jul 84

[Relay from Brasilia by Carlos Rodrigues]

[Text] Radio Bandeirantes is reporting again from Jaburu Palace, the official residence of the vice president, where an important meeting was held, the results of which will be essential for the presidential succession issue. As this station reported a short time ago at the conclusion of the meeting of the Social Democratic Party [PDS] liberal group, presidential hopefuls Aureliano Chaves and Marco Maciel reported that they will not participate in the PDS national board meeting to be held on 5 July to designate the new party leader and to decide whether to hold primary elections.

We now have a last-minute report that during the informal talk with members of the liberal group Vice President Aureliano Chaves referred to understandings reached with Governor Tancredo Neves, the possible opposition candidate. Chaves stated that he has already told Neves to take it easy. Chaves also told the participants of the meeting, which concluded just moments ago at Jaburu Palace, that his group will demand (?active) participation in the future government. He said that if no agreement is reached with the opposition, the doors will not be definitively closed to the PDS.

Chaves, Maciel Comment

PY041514 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 4 Jul 84

[Excerpts] In Porto Alegre, Governor Jair Soares has threatened forming a new dissident group within the PDS. He said he already has such experience, pointing out that he previously promoted one within the former PSD [Democratic Social Party].

In addition, in Brasilia Senator Joao Calmon is promoting the formation of a PDS Social Democratic Party congressional group that will not obey the party leadership.

The separation of Vice President Aureliano Chaves and Senator Marco Maciel was made official yesterday at Jaburu Palace at a meeting attended by reporter Carlos Rodrigues.

[Begin Rodrigues recording] The liberal PDS group has broken with the party executive board. After a 2-hour meeting at Jaburu Palace, presidential hopefuls Aureliano Chaves and Marco Maciel announced that they will not participate in the national board meeting to be held on 5 July, and neither will they participate in the national convention to be held in September to elect the party's candidate to succeed the president of the Republic.

Maciel explained that the decision was made upon rejecting two proposals from the liberal group: giving up the candidacies of the four PDS presidential hopefuls, and the realization of primary elections to choose the PDS candidate to succeed President Figueiredo. Maciel added that the only alternative for him and Chaves is not to attend the convention.

Approximately 40 congressmen of the liberal group attended the meeting at Jaburu Palace. The manifesto formalizing the separation from the PDS, and which could be released today, is being edited now.

With the reopening of Congress in August, the liberals will form independent blocs in the Chamber of Deputies andin the Federal Senate. Chaves and Maciel denied that the group is considering whether to support opposition candidate Tancredo Neves. At yesterday's meeting, which was banned to the press, the vice president said that he is already holding talks with Governor Tancredo Neves, and that he told him not to worry. Chaves also told the liberals that once an agreement is reached with the opposition, his group will demand an effective participation in the future government.

The PDS dissidence and its consequences in choosing the next candidate for the president of the Republic was assessed yesterday in different meetings held at the national Congress by Planalto Palace. According to the acting PDS president, Senator Amaral Peixoto, the liberal group made a rather hasty decision. He said that the primary elections will probably be approved and that President Figueiredo will probably resume the leadership of the presidential succession process.

WELFARE MINISTER RECOVERING FROM SURGERY

PY041332 Sao Paulo Radio Bandeirantes Network in Portugese 1000 GMT 4 Jul 84

[Text] A medical bulletin confirms that the surgery performed on Welfare and Social Security Minister Jarbas Passarinho here in Sao Paulo was a complete success. Passarinho will be able to perform some of his official duties at the hospital tomorrow and within a week he will be able to return home.

FINANCE MINISTER DISCUSSES ECONOMY, FOREIGN DEBT

PY050150 Santiago Radio Cooperativa in Spanish 1715 GMT 4 Jul 84

[Excerpts] Speaking to members of the German Chamber of Commerce in Chile at the Sheraton Hotel, Finance Minister Mario Luis Escobar said that talks for renegotiating the IMF agreement may begin as soon as the IMF mission returns.

Minister Escobar then talked about the Chilean copper exports to the United States:

[Begin Escobar recording] I believe that the decision that will be adopted by the President of the United States will have political overtones, to gain publicity. But it should be a decision favorable for the country because in the United States he has been the champion of the ideas of free trade, private enterprise, and such. [end recording]

[Escobar also noted that although copper prices are at an historical low and interest rates at an all-time high, the Chilean Government is continuing to forecast that the economy will grow by 4 percent of the GDP this year.

[Begin Escobar recording] The need for recessionary adjustment has ceased, and we are now entering the recovery phase which is essential so that we can cope with the two greatest problems of the Chilean economy in recent years. [end recording]

Minister Escobar spelled out that one of those problems is unemployment which now stands at the 750,000 mark.

[Begin Escobar recording] This is not only an economic but a social problem which the country is enduring. There can be no political, social, and economic stability with a great mass of our countrymen who cannot exercise the fundamental right to work [end recording]

The finance minister also revealed that in 1985 Chile will have to pay interest amounting to $2.3 billion.

[Begin Escobar recording] This is a very large figure which is equivalent to approximately 10 percent of the GDP, or to nearly total domestic savings, or slightly more than 50 percent of our copper exports. This figure is just to pay interests on the foreign debt; I am not talking about principal payments which we will pay, though not fully, in the next 5 years. [end recording]

He then noted that Chile will need support from creditor banks.

[Begin Escobar recording] Chile will have to obtain support from our foreign creditors in the form of additional credits to permit us to pay all the interests on the foreign debt without committing to these payments more than 25 percent of our exports. This figure is something on the order of $1.0-1.2 billion which represents the GDP growth. [end recording]

NATIONAL PARTY WILL NOT SIGN GROUP OF 8 ACCORD

PY031922 Madrid EFE in Spanish 1448 GMT 3 Jul 84

[Text] Santaigo, 3 Jul (EFE) -- The center-right coalition called the Group of Eight, has signed an accord called the National Democratic Accord. However, the most influential party, the National Party, and other smaller organizations did not participate. National Party representative Pedro Correa stated that his party's decision not to sign the accord meant that it has withdrawn from the multiparty group, which has now been reduced to the most radical rightist sectors. The National Democratic Party and the Independent Democratic Union withdrew along with the National Party. National Party leaders have reported that they intend to seek an agreement for a prompt return to democracy with "similar" sectors of the Democratic Alliance, which is a center-left coalition.

BETANCUR ANNOUNCES FOREIGN INVESTMENT INCENTIVES

PA042256 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 4 Jul 84

[Text] Bogota -- Colombia has opened its doors to foreign investors and offered new tax incentives to foreign capitals. In addition, it has announced the submission of a proposal to the Andean Pact to amend Decision 24 on foreign investments in the area. President Belisario Betancur made these announcements at the first forum on foreign investments organized through nationwide planning. Approximately 2,000 private businessmen are participating in the forum.

The policy measures adopted on matters of greater remittances and profits, tax incentives, and the lifting of restrictions confirm the real support we are offering new investments, particularly those that generate capital through exports and the substitution of imports in sectors of priority interest to our development such as agroindustrial production, fishery, tourism, and capital assets, among others, the chief of state told the investors' forum. President Betancur affirmed that it is better to be partners than creditors, pointing out that the Latin American economic crisis can be reversed.

Meanwhile, outgoing Economic Development Minister Rodrigo Marin Bernal explained that a proposal will be taken to Lima, Peru, to amend Decision 24 of the Cartegena Agreement. He said that the proposal will grant restrictions on the localization of investments and allow a selective eliminiation of export commitments in favor of new investments.

RAMIREZ OCAMPO DISCUSSES DEBT, CONTADORA

PA031727 Bogota EL SIGLO in Spanish 2 Jul 84 p 15

[Text] According to new Foreign Minister-designate Augusto Ramirez Ocampo, Latin America will raise its voice at the IMF in search of better conditions under which to pay its foreign debt. Speaking on the Todelar Reportages program, Ramirez Ocampo said that the Consensus of Cartagena has created a general reference framework for dealing with the industrialized countries, which have reacted favorably to a renegotiation of the debt.

He added that another means of easing the burden of Latin America's foreign debt exists, which is that of dealing with the credit balances whose payment is dubious, which the United States can handle more effectively through the banks.

According to Ramirez Ocampo, "the Consensus of Cartagena will become an effective mechanism for reaching understandings with the developed countries."

"An atmosphere has been created in which it will be possible to improve the conditions affecting debt payment," Ramirez Ocampo told Todelar. He added: "It is at the IMF where we must make our voice and that of the Consensus of Cartagena heard more clearly."

The foreign minister-designate, who has not yet taken office but who will do so on Wednesday, noted that the Contadora Group has received world support at all forums and venues. He stressed President Belisario Betancur's leadership in this context. "Contadora's action is one of the most creative in the world," Ramirez Ocampo said, adding that during the group's 18 months of existence, a policy of dialogue has been maintained in Central America. This would not have been possible otherwise.

PRESIDENT SWEARS IN NINE NEW CABINET MINISTERS

PA050320 Bogota Cadena Radial Super in Spanish 0000 GMT 5 Jul 84

[Text] Bogota -- Nine of the the 13 ministers of President Belisario Betancur's government today assumed their posts in the presence of the chief of state at the Narino Palace. The ministers that were sworn in today included the minister of defense, General Gustavo Matamoros D'Acosta; of agriculture, Gustavo Castro Guerrero; of communications, Nohemi Sanin; of labor, Oscar Salazar Chavez; of health, Amaury Garcia Burgos; of public works and transportation, Hernan Beltz Peralta; of justice, Enrique Parejo Gonzalez; of development, Ivan Duque Escobar; and of education, Doris Eder de Zambrano.

The following ministers have not yet assumed their posts: government, Jaime Castro Castro; foreign relations, Augusto Ramirez Ocampo; finance, Roberto Junguito Bonnett; and mines, Alvaro Leiva Duran.

Today President Betancur expressed confidence that the new cabinet will accompany him to the end of his term in 1986, when he hopes to preside over honest and clean elections. In his brief address at the swearing-in ceremony of the nine ministers, the chief executive voiced his satisfaction over the favorable reaction from all political sectors to his cabinet's reorganization. [passage indistinct]

Meanwhile, Justice Minister Enrique Parejo Gonzalez discarded any possibility that the government might accept a dialogue with drug traffickers to dismantle the drug business in Colombia. A proposal to end that activity was submitted to the government through the attorney general, Carlos Jimenez Gomez, who said that the (?proposal) was sent to the chief of state by a group headed by Pablo Escobar.

UNION PRESIDENT DIES DURING HUNGARIAN VISIT

LD041754 Budapest Domestic Service in Hungarian 1630 GMT 4 Jul 84

[Text] After brief suffering, Juan Pastor Perez, member of the executive committee of the Colombian Communist Party and president of the country's trade union confederation, has died in Budapest. He was 63 years old. The politician came to Budapest at the invitation of the National Council of Trade Unions Presidium to hold talks about cooperation. He was suddenly taken ill shortly after his arrival and was taken to the hospital, but the doctors were unable to help him.

CSSR'S CHNOUPEK, CAICEDO MEET, DISCUSS RELATIONS

PA032129 Bogota EL SIGLO in Spanish 2 Jul 84 pp 1, 15

[Text] Czechoslovak Foreign Minister Bohuslav Chnoupek has reiterated his government's support for the Contadora Group, because it believes that the Contadora effort is the path that will give the Central American peoples the necessary political stability to resume programs for economic and social development with prospects of success.

The high-level official, who arrived in the country on Tuesday on an official visit, met with Foreign Minister Rodrigo Lloreda Caicedo to examine aspects of the international situation and to review bilateral relations.

Reviewing international problems, the two ministers stressed that the United Nations must be strengthened, as must the principles contained in its charter. They expressed their governments' determination to contribute to detente and to the solution of conflicts that now exist or that may appear through dialogue and negotiations. They placed a high value on the efforts for peace being made by the Nonaligned Movement, whose summit meeting last year made important contributions to international understanding, peace, and security. They also reaffirmed their support for the principles and objectives of the UN Charter of economic rights and duties of states, and said that it was indispensable to begin international negotiations within the UN framework as soon as possible. They expressed support for the reorganization of economic relations and the firm establishment of a new world economic order.

On bilateral relations, the ministers reviewed their two nations' economic, commercial, cultural, and scientific-technical relations. They agreed that serious efforts must be made to seek an increase in exchange and to identify areas of the greatest opportunity, which hold out the best promise of increasing the volume of transactions between the two countries. They explained that Czechoslovakia will increase its importation of Colombian products and will offer machinery and assistance in infrastructural projects that will benefit Colombia. The foreign ministers expressed optimism about the results of the upcoming meeting of the Colombian-Czechoslovak joint commission which is to be held in Bogota in October.

DRUG STATUTE AMENDED, PENALTIES INCREASED

PA291420 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 28 Jun 84

[Excerpts] Bogota -- The national drug statute has been amended by the Supreme Court of Justice by declaring constitutional Decree 1060, which deals with the state of siege. This amendment contemplated the confiscation and auctioning off of personal and real estate property used to process addictive chemical substances. The insurance companies have been warned that in order to cover vehicles, real property, and planes, the insurance concerns must demand that the owner get a certificate from the National Drug Council specifying that he is not linked to drug traffic. Penalties for all cases have been doubled. There are now punishments of up to 24 years in prison as well as fines of up to 10 million pesos. The amendment also includes punishment of up to 12 years in prison for conspiracy, while the cultivation or keeping of marijuana or plants used to produce morphone or cocaine will be punished with up to 10 years in prison. The new drug statute, in force as of 5 May, has now been officially established through its proclamation as constitutional by the Supreme Court of Justice. In addition, Colombia will be able to use the herbicide [word indistinct] to destroy marijuana plantations, Justice Minister Enrique Parejo Gonzalez has reported. Announcing that the first spraying will be done on the slopes of the Sierra Nevada range in Santa Marta, with the cooperation of technicians from the Health Ministry, the [Colombian Institute of Agrarian Reform, the Institute for Development of Renewable Natural Resources], the Colombian Agricultural-Livestock Institute, the Administrative Department of Security, the Army, and the police, he warned that the government has not given up its struggle against drug trafficking. Minister Parejo Gonzalez also disclosed that between 1 May and 15 June this year 197 cocaine laboratories were dismantled. During this same period, 1,115 persons were arrested, which is practically the same number of arrests between 1984 [as heard], which totalled 1,846 drug-related arrests. He added that in the 45 days between 1 May and 15 June, 4,533,798 grams of cocaine and 6,084,458 kilograms of marijuana were confiscated. In addition, under the state of siege 124 arrest warrants have been issued from a total of 1,154 drug trafficking cases opened as of 15 June.

FOREIGN MINISTER COMMENTS ON SHLAUDEMAN VISIT

PA041526 Caracas Radio Rumbos Network in Spanish 2100 GMT 3 Jul 84

[Text] The situation in Central America continues to be complex, but there have been certain signs that are encouraging for peace, Foreign Minister Isidro Morales Paul has said. After a meeting between President Lusinchi and U.S. special envoy Harry Shlaudeman, we spoke to Foreign Minister Morales Paul about the information that the U.S. diplomat relayed to the president:

[Begin recording] [Morales Paul] It was information dealing with the contacts that the United States and Nicaragua have made; also, an assessment of the general Central American situation was made and points of view on some aspects of the situation were exchanged.

[Unidentified reporter] According to this [words indistinct], how would you describe the situation in Central America and Nicarague?

[Morales Paul] It is a complex situation, a difficult situation, but one in which important events are taking place that could eventually lead to peace.

[Reporter] What events, Mr Foreign Minister?

[Morales Paul] Well, the approach itself, the talks between the United States and Nicaragua, are encouraging signs, though I am not overly optimistic.

[Reporter] What was in the letter from President Reagan to President Lusinchi?

[Morales Paul] I am not able to reveal its contents, as it was a private letter between two presidents. [end recording]

PLANNING MINISTER FORESEES ECONOMIC IMPROVEMENT

FL032004 Bridgetown CANA in English 1911 GMT 3 Jul 84

[Text] Caracas, July 3, CANA-REUTER -- Venezuela's economy is about to take off again after six years of stagnation with a drop in both inflation and unemployment, the government says. Planning Minister Luis Matos Azocar said last night that Venezuela, saddled with a 34 billion dollar foreign debt that had led to tough austerity measures, was aiming for a three per cent growth in the economy in 1985 against a projected zero this year. He based the increase on oil exports continuing at a rate of 1.5 million barrels a day and better tax collecting. The minister predicted that real wages would grow four per cent next year with unemployment dropping to 11 per cent from 13 per cent and inflation falling to 13 per cent from 16 per cent. 1985 will be the year of economic reactivation. He told a news conference. Other figures he released predicted Venezuela's current account surplus would fall to 730 million dollars from a projected 1.96 billion this year and 5.265 billion in 1983, and foreign currency reserves to 9.75 billion dollars from 11.6 billion at present. Venezuela expected to spend 25 per cent of its export earnings on debt repayments this year and 24 per cent in 1985, the minister said.

DE LA MADRID SAYS NO DEVALUATION CONTEMPLATED

FL040054 Mexico City NOTIMEX in Spanish 2110 GMT 3 Jul 84

[Excerpts] Mexico City, 3 Jul (NOTIMEX) -- President Miguel de la Madrid, in an exclusive EXCELSIOR interview, said that sharp devaluations are not contemplated in his financial policy. Interviewed by newsman Enrique Loubet, President De la Madrid said that he will continue to allow the exchange rate to slide and that it will increase or decrease in accordance with the country's economic circumstances.

When he addressed the main subject of the economic crisis which he said affects all nations, he said the present sliding exchange rate is suitable and is permitting us to achieve a positive balance of payments while our international monetary reserves grow and the economy begins to awaken. After stating that the crisis affects industrialized and developing nations -- both socialist and capitalist -- he said that, at this time, the worst that can happen is confusion, indecisiveness, or timidity in taking action because the crisis is so grave tht the failure to adopt appropriate measures would provoke a worsening of the problems.

I believe that the worst of the crisis is past, he said, and that we have slowed its tendency to worsen. He stressed his government's basic goals: a more equitable society that makes it possible to preserve freedom, the perfecting of democracy and social peace, and what he personally would consider one of his greatest achievements if he could provide it, a good legal, judicial, and police system for the people.

After providing data and figures, the president said: Based on facts, we have overcome the worst of the economic crisis and are going in the right direction; that is, we are reducing inflation, achieving growth, reorganizing public finances, strengthening the foreign sector of our economy, and at the same time defending the level of employment, which is the most critical aspect of the economic crisis for most of the population.

Miguel de la Madrid said that the government, much to its regret, has to authorize periodic adjustments to controlled prices to keep up with economic realities. In other areas, the chief executive said, the government might or might not take action, allowing a problem to crop up later, but I do not have any room for maneuvering. The results of what is done, left undone, or done incorrectly are very soon evident. It is better to face up to reality and to try to explain it to the people.

The newspaper EXCELSIOR says that in later editions it will publish information on other matters dealt with in the interview in which the president of Mexico answered all the questions he was asked.

CEMA AMBASSADORS MEET, DISCUSS U.S. POLICY

FL031858 Mexico City NOTIMEX in Spanish 0400 GMT 3 Jul 84

[Text] Mexico City, 2 Jul (NOTIMEX) -- The USSR Embassy in Mexico has described as fairy tales President Ronald Reagan's statements on the USSR and Cuba promoting subversion in Central America.

CEMA member -- Bulgaria, Cuba, Czechoslovakia, Hungary, the GDR, and the USSR -- ambassadors meeting in Mexico City all agreed that the intent behind increasing interest rates was to make debtor nations support the U.S. military budget.

CEMA will hold a trade exposition in Mexico in November.

Soviet Minister Counselor to Mexico Viktor A. Kropotov said Reagan's statements against the Soviet Union were nothing new and that Reagan started saying them when he became president; continually accusing the USSR for all the sins of the world. Referring to Reagan's statements about wanting to reestablish U.S. political influence in Central American, Kropotov said that no country can pressure the Soviet Union to change its foreign policy or give economic aid to CEMA member nations. Kropotov denied that the USSR is in any way tied to the violence taking place in Central America and said that it was a Reagan invention that Nicaragua's government had Soviet MiG's.

Kropotov's statements were seconded by Polish Ambassador to Mexico Zdzislaw Szewczyk who said that the number of Cuban advisers which Nicaragua counts on cannot be compared with the size of the U.S. military presence in Central America. Szewczyk said that Reagan's Central American position was to have all foreign advisers who disagreed with U.S. policy in this region out, thereby allowing the United States to stay. He added that the only way to attain a peaceful solution to the region's problems was to use the Contadora Group's proposal of dialogue, because violence has never brought lasting peace.

Szewczyk also agreed with the Contadora Group -- made up of Mexico, Colombia, Panama, and Venezuela -- position that the violence in Central America is due to conditions of exploitation, thus creating very backward economic and social conditions in this region [as received]. He also described the CIA's open support for the Nicaraguan contras as very serious.

The Polish diplomat talked about the repercussions which could come from the increase in interest rates and about the developing nations' foreign debt, and acknowledged that this situation affects everyone because everyone is in the same boat.

Poland's foreign debt is approximately $28 billion and its principal creditors are France, the FRG, the UK, the U.S., and Japan. Szewczyk stressed that one of Poland's main economic problems has been a U.S. boycott against Poland's fishing sector.

Czechoslovakian Ambassador to Mexico Jindrik Tucek, coordinator of the CEMA-Export trade exposition to be held in Mexico, said that President Miguel de la Madrid Hurtado would inaugurate the exposition on 8 November.

PEACE MOVEMENT LEADER ACCUSES U.S. OF 'PRESSURING'

FL041201 Mexico City NOTIMEX in Spanish 0030 GMT 4 Jul 84

[Text] Mexico City, 3 Jul (NOTIMEX) -- Fausto Zapata Vela, leader of the Mexican Peace Movement (Mompaz), said today that the U.S. Central Intelligence Agency has a plan of attack against Mexico. In statements published in today's evening daily ULTIMAS NOTICIAS, Zapata Vela said the United States is pressuring Mexico economically and politically to change its international policy.

After reviewing the related actions that have threatened Mexico's social stability, Zapata Vela said that President Miguel de la Madrid has the support of the Mexican people as he develops international policy.

Zapata Vela, who is also president of the Mexico-USSR Cultural Relations Institute, said that the passage of the Simpson-Mazzoli bill, the border incidents with Guatemala, and the 1 May bombing incident are links in a chain of destabilization activities by the United States.

ATTORNEY GENERAL PRESS CONFERENCE ON MELO'S ARREST

PA040220 Panama City Televisora Nacional in Spanish 2300 GMT 3 Jul 84

[Attorney General Isaac Chang Vega interviewed by unidentified reporters in Panama City on 3 July -- recorded]

[Text] During a press conference this afternoon, Attorney General Isaac Chang Vega announced the preventive detention of all those involved in the conspiracy case including former Lieutenant Colonel Julian Melo Borbua. Chang Vega gave considerable details on the steps being taken by his office and answered newsmen's questions for approximately 20 minutes.

[Begin recording] [Chang] There are no other military men involved. He has been categorical on this. Regarding the details, I don't think this is the proper time for them. You can understand that in every investigation of this type, there is a certain amount of discretion that has to be maintained, at least during the preliminary stages, so that others who might also be involved cannot go into hiding.

Ciro, this is why I can't give many details. I can only say he [Melo] admits he has been linked to Panamanians Gabriel Enrique Mendez de la Guardia, Olmedo Augusto Mendez de la Guardia, and Ricardo Tribaldos Ciraldes. Melo has been directly linked to them. He said they contacted some Colombian citizens.

[Question] Attorney General, is there any information on the identity of the Colombians allegedly involved in this case?

[Chang] Not precisely. Remember, normally, when Colombians move abroad for some criminal activity they use aliases and false passports. We must still determine whether these aliases correspond to their true names.

[Question] What charges will be filed?

[Chang] We presume it will be conspiracy.

[Question] Independently of what Melo has said, will the investigations be carried any further in military levels?

[Chang] Any investigation into the disciplinary or administrative aspects of the military is left to the competence of the military, according to their organic law. However, if the investigation being carried out discloses that other military officers also are involved, of course we would have to become involved in the case. Remember, we maintain a separation between the civil power, as it is usually called, and the military. You have to understand that the military cannot make a decision in a matter like this because military jurisdiction does not exist in Panama, properly speaking. All crimes committed by the military or members of the Defense Forces, should these crimes be included in the penal code, are to be handled by civilian courts.

[Question] Where are these four men kept?

[Chang] I cannot say they have been detained; they have not been placed under my orders. I have just ordered their detention, after which they can be released on bail.

[Question] Where is Col Melo?

[Chang] Col Melo is currently under house arrest.

[Question] Is it true that Melo threatened the life of General Nriega and Colonel Mina?

[Chang] No, that is not true. Melo said he did not make this threat and gave certain explanations that give the impression that... [interrupted by newsman]

[Question] Who said he didn't?

[Chang] Col Melo denied the charge, even after I confronted him with it.

[Question] Mr Attorney General, how and where was Melo arrested?

[Chang] The investigation was begun by the Defense Forces' state security organizations with the National Department of Investigations. As soon as they had the precise information, they told us via telephone that a conspiracy had been disclosed.

[Question] Do you have any information on how long this crime has been going on?

[Chang] This crime has not been going on for that long, only a couple of months.

[Question] Is Interpol involved in this case? Is he detained in France?

[Chang] Judging from the explanations I have received, I am under the impression that he returned to Panama under military arrest. I don't know where he was detained.

[Question] What does Panamanian law say about the punishment to be meted out to this individual?

[Chang] I want to repeat that the determination of the punishment is left to the competence of the jurisdictional authorities, rather, judicial authorities. Finally, if the crime can be truly identified as a conspiracy, according to Article 242 of the Penal Code, the punishment could be between 1 and 3 years in prison, plus from one fourth to one third of the time for the organizers of the deed. However, I cannot determine this. All I can do is carry out an investigation.

[Question] Is Colonel Melo involved in the cocaine case of Darien Province?

[Chang] We have found nothing that links Melo and his friends to the INAIR airline case. There is no tie between the two. Parhaps, this particular case is more closely associated with the case of the ether load [ether recently found in Tocumen airport to be used in cocaine processing]. However, I can't assert this. The investigation results will determine what link there is between the two as soon as it is completed. [end recording]

COSTA RICA

SHIPMENT OF EXPLOSIVES LINKED TO NICARAGUA

PA042147 Panama City ACAN in Spanish 2007 GMT 4 Jul 84

[Text] San Jose, 4 Jul (ACAN-EFE) -- Today, Costa Rican agents discovered that a shipment of explosives destined for Puerto Limon, on the Costa Rican Atlantic coast, aboard a Panamanian registered ship, Freedom, is not intended for the anti-Sandinists, but instead for the Nicaraguan Government.

An earlier report on this subject, given to EFE in Puerto Rico by the current president of the Puerto Rican Socialist Party (PSP), Carlos Gallisa, stated that "the Freedom was transporting hundres of tons of dynamite and other explosives intended for the anti-Sandinist forces that operate from Costa Rica." Gallisa asserted that the destination of the dynamite from the "Explo Chemical Explosives Industries" [Explo Industrias Quimicas e Explosivos, S.A.] of Rio de Janeiro, Brazil, was Puerto Limon, Costa Rica, "a port that serves as a transit point for shipments of explosives and military materiel for the anti-Sandinist forces supported by the U.S. CIA."

The San Jose authorities have clarified that the Freedom is transporting 252 tons of dynamite for the Nicaraguan Government through Lodos Industriales, S.A. [LODINSA], a Costa Rican firm that has its offices in this capital city and a plant in Esparza, on the Pacific coast.

According to Costa Rican authorities, investigations have begun to determine why Puerto Rican Socialist leader Carlos Gallisa said that the CIA had chartered the ship to transport the dynamite when the truth is that it belongs to the Nicaraguan Government. They are also trying to determine why the Nicaraguan Government uses a Costa Rican firm for such activity rather than doing it directly.

Documents available to ACAN-EFE in San Jose explained that the 252 tons of dynamite were shipped in 14-18 ton containers, "the largest shipment of explosives to arrive in Puerto Limon," said port officials.

Meanwhile, a telex from a Danish firm "Baltimar Ltd," a ship chandler in Copenhagen, states that the Freedom is also carrying two other containers with "accessories for explosives," and another container with "aluminium dust" intended for the LODINSA industrial plant in Esparza, Costa Rica.

The Costa Rican company that produces industrial explosives is covering the ship's expenses as long as it remains in Puerto Limon. It is also covering the unloading and customs fees, as well as the export of the Brazilian dynamite to Nicaragua.

According to its schedule, the Freedom should have arrived in Costa Rica today, but port authorities report that it is still in Puerto Rico unloading "5,000 tons of packaged grain [granos embolsados]."

Radio Reloj Report

PA050345 San Jose Radio Reloj in Spanish 0100 GMT 5 Jul 84

[Text] Today the Costa Rican public security minister ordered an investigation into a charge presented by a Puerto Rican communist [as heard] who said that a CIA-chartered ship was in Puerto Rico with a shipment of dynamite intended for the counterrevolutionary groups.

The investigation was based on the fact that the Puerto Rican denouncer said that the ship, and its dangerous cargo, would be arriving in Puerto Limon, Costa Rica. It has now been learned that, based on proof gathered by our Intelligence and Security Directorate [DIS], most of the 333,570 kg of dynamite transported on the ship in 17 containers belongs to the Nicaraguan Government, and only a very small amount will remain in Costa Rica to be used by a local company.

According to information provided by DIS, the Panamanian registered ship, Freedom, is to unload its dynamite shipment in Puerto Limon, from where the cargo will be later transferred by land to Nicaragua. In view of this situation Public Security Minister Angel Edmundo Solano immediately issued orders to stop the ship from docking at Puerto Limon. He said that under no circumstances will we allow the violation of Costa Rican neutrality because this shipment could be used for war purposes. He also said that transferring such a shipment of dynamite through national territory is dangerous to the people's safety.

AVIATION SAFETY AT NICARAGUA BORDER TO BE STUDIED

PA032112 San Jose Radio Reloj in Spanish 0100 GMT 3 Jul 84

[Text] A commission composed of officials from the Public Security Ministry, Civil Aeronautics, and private airlines will study measures intended to a prevent danger to aircraft flying over the Nicaraguan border. The public security minister met with Civil Aeronautics Director Manuel Emilio Garcia and other members of the Civil Aeronautics Technical Council this morning and decided to create the commission. One measure that might be implemented soon is the establishment of some sort of restricted areas, in which airliners would have to fly at a given height to avoid potentially dangerous situations.

EL SALVADOR

DUARTE VIEWS GUERRILLAS' MOTIVES FOR DAM ATTACK

PA030437 San Salvador EL MUNDO in Spanish 29 Jun 84 p 35

[By Jorge A. Contreras]

[Text] President Jose Napoleon Duarte has told this paper that the rebel attack on the Cerron Grande Dam was an act "of pressure to force him to accept the rebels' request for dialogue and to make us believe they hold the military initiative." There is no doubt that this attack, which they said was intended against the economy, "but which was really against the people, had three objectives: military, economic, political," Duarte said.

Explaining his thesis, Duarte said that, in the military aspect, the rebels want to show that they have the offensive, at the same time that they seek publicity abroad at the cost of the victims. "However," he added, "the recovery of the dam by the Army in only 2 hours shows the Army's capacity and the aim of the FMLN to only cause damage, as they cannot maintain a position."

"In the economic aspect, they claim that their objective is to affect the nation's economy, directly affecting the people, because such actions paralyze industry and leave small merchants without energy. The economic objective, then," President Duarte said, "is to force us to spend 300,000 colones a day to start the electricity plant."

The third objective is political, implying pressure for dialogue and the destabilization of the government, as announced by their clandestine radio station, which declared that such actions are intended to support the workers' strikes.

They also exert pressure by burning vehicles on the roads and in the capital, destroying electricity posts and telephone booths and installations. "And they claim that this is all in support of the strikes," Duarte noted.

Asked if he believed the strikes were intended as a destabilizing factor, as they are provoked by the desperate economic crisis, Duarte replied: "Well, strikes tend to cause destabilization. I believe the workers have a right to make demands, but some leaders actually seek to destabilize the government." "There is no doubt their aim is to create a crisis and destabilization to force a dialogue. Recently," he explained, "we have received many messengers with various proposals. These have been sent by agitators, and even Rev Jesse Jackson brought us a proposal."

Duarte complained that they do not want to let him work. "But we are not going to allow acts of vandalism and terrorism to obstruct the path toward peace, progress, and democracy" he said.

COPREFA CHARGES GUERRILLAS WITH USING PEOPLE

PA031504 San Salvador Radio Cadena YSU in Spanish 1200 GMT 2 Jul 84

[Armed Forces Press Committee, COPREFA commentary: "FMLN Publicity Maneuvers That Hurt the People"; read by unidentified COPREFA official]

[Text] The FMLN terrorists are increasingly and conclusively showing their deteriorated and unstable internal situation through the desertions, internal purges, personal ambitions of the commanders, and the unjust rewards that those who were once loyal to its Marxist-Leninist ideology have received. With propaganda attacks every 6 months, they are trying to maintain the image that they are strong.

The people have to pay a high price for these publicity maneuvers by the FMLN terrorists. This is shown by the destruction of the Oro and Cuscatlan bridges and now by the attack on the Cerron Grande Hydroelectric Dam. With the already worn-out and unbelievable argument that their actions are to help the people, the FMLN-FDR political leaders need to kidnap fighters and force them to fight to destroy the people. In the end, all these murderous leaders will leave the country to enjoy the money stolen from the people or supplied by the communists and the so-called heroic fighters will be left buried somewhere in the country.

What have they done for Berlin, Tenancingo, Suchitoto, El Paisnal, San Vicente, Morazan, Usulutan, Cerron Grande, and so on? Nothing. The people always turn their backs on them. They have shown this on many occasions. The people only cooperate when the FMLN squads arrive with rifles and force them to listen to lectures and attend the public execution of some innocent peasant leaders.

Every day they claim that the Army has carried out bombings and destruction just as they invent the people's support, alleging that they are defending human rights when in fact they cold-bloodedly kill unarmed soldiers and Red Cross members for the sole reason that they cooperate with the military units.

Now, as the latest action to spring from terrorist minds, they are placing explosive devices or grenades under the bodies of soldiers so that when their comrades in arms pick them up to give them a Christian burial, they will also die victims of the Marxist hatred fomented by Cuba and the Soviet Union.

The terrorist commanders are aware of their failure to seize power with weapons and are trying to blackmail the people and the government into negotiations. Christian democracy is the antithesis of and an obstacle to their personal ambitions. They always use the people as a screen to defend themselves from the Armed Forces. They always use the people as the banner for their struggle and, in the end, the people pay for the FMLN's terrorist actions with their blood and sacrifice.

FMLN FREES 29 CAPTURED DURING CERRON GRANDE ATTACK

PA031615 San Salvador Radio Cadena YSU in Spanish 1800 GMT 2 Jul 84

[Excerpt] A total of 27 soldiers belonging to the 2nd Sierpe Battalion of Chalatenango and an electrician and a driver from the Lempa River Hydroelectric Executive Commission, CEL, who were captured on 28 June when FMLN forces attacked and seized the Cerron Grande Dam, were released on Saturday, 30 June, in Tejutepeque, Cabanas Department. One of the FMLN clandestine stations has reported this:

[Begin recording] We are reporting on the prisoners of war from the 2nd Sierpe Battalion in Chalatenango who were captured on 28 June in the attack and seizure of the Cerron Grande Dam. These prisoners of war, whose names we will read, were released on 30 June in Tejutepeque, Cabanas Department. [end recording]

A civilian from the town of Tejutepeque has confirmed to YSU that the 27 soldiers and the 2 CEL workers were indeed released on 30 June.

COPREFA REPORTS ON WEEKEND CLASHES IN SAN MIGUEL

PA040129 San Salvador Radio Cadena Sonora in Spanish 2130 GMT 3 Jul 84

[Armed Forces Press Committee, COPREFA, communique issued on 2 July]

[Text] In a swift action carried out over the past weekend in the Agua Fria village, Sesori jurisdiction, San Miguel Department, some 153 km north of San Salvador, units of the antiterrorist Ponce Infantry Battalion dismantled a terrorist camp and inflicted many casualties on the subversive forces. The surprise attack forced the FMLN squads to flee in disarray leaving behind five bodies, while carrying a large number of wounded. In their haste, the rebels left behind 30 TNT containers, 30 M-79 grenades, 13 60-mm mortar grenades, 5 57-mm recoilless rifles, 1 FAL rifle, 1-M1 carbine, 1 22-cal rifle, and 1 RPG-2 rocket. In addition, the battalion forces dismantled a militia school and clandestine clinic where they found a power plant and a substantial amount of medicines. Meanwhile, at a place known as El Tamarindo, near Sesori, units of the Leon Battalion killed one rebel, wounded three others, and seized an M-1 carbine in a weekend clash. Both battalions have their headquarters at the 3d Infantry Brigade, San Miguel Department.

COPREFA ON FIGHTING, CRITICISM OF ROSAS CHAVEZ

PA040313 San Salvador Radio Cadena YSU in Spanish 1800 GMT 3 Jul 84

[Armed Forces Press Committee, COPREFA, communique issued on 3 July]

[Text] A total of 15 extremists were killed yesterday when units of the Ponce Battalion, of the 3d Infantry Brigade, surprised them in the northern sector of Usulutan Department, near the Petacones farm. In the action, the Salvadoran Army troops seized 7 FAL rifles with their respective ammunition rounds. Another extremist was killed at dawn yesterday in an ambush set up by members of the 4th Infantry Brigade near the San Miguel Tobias Canton, Santa Rita jurisdiction, Chalatenango Department. His revolver and ammunition were retrieved from the body, as well as propaganda material.

Elsewhere, threee terrosists known as Ortega, Aquiles, and another not identified, surrendered to the 5th Infantry Brigade and turned over the following materiel: one G-3 rifle, one AR-15 rifle, ammunition and cartridges for 7.6-mm and 5.56-mm rifles. They expressed their disappointment over the situation they were facing: being separated from their families and suffering the consequences of a struggle in which they do not believe.

Last minute information received by CORPREFA reveals that the FMLN, obsessed by its struggle for power and incapable of accepting the criticism made by such an influential sector in El Salvador as the Catholic Church, has unleased its rage against the ecclesiastical leadership accusing it of being reactionary and rightist, according to a transmission this morning by the clandestine radio.

The attacks are mainly launched against the auxiliary bishop of San Salvador, Msgr Gregorio Rosas Chavez, who in his latest public appearances strongly condemned the terrorist methods of the FMLN, particularly last Thursday's actions at the Cerron Grande Dam. The extremists accuse the church of having sided with the rich, not with the poor; therefore, it is said to be incapable of acting as a mediator in the Salvadoran conflict. The reason the extremists are so upset is because in his last Sunday homily Msgr Rosas Chavez said the Carron Grande Dam attack was not jusitfied since it only caused destruction and the only ones affected were the people.

If the fact that a clergyman should declare himself in favor of the people and their interests and concerned with the suffering to which they are subjected in this war imposed and maintained by the FMLN means being a reactionary or a rightist, then there is no one in El Salvador who could be excluded from such charges. The FMLN claims are nothing but a threat against the church whose protests and criticisms it cannot endure since it is blinded by its own ambitions and driven by savagery as a means to attain its goals.

VENCEREMOS DESCRIBES ARMS TAKEN AT CERRON GRANDE

PA040440 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 4 Jul 84

[Excerpt] We will now give the Armed Forces Press Committee [COPREFA] and, above all, our people, a complete report on arms taken, vehicles destroyed, and soldiers and non-commissioned officers captured at Cerron Grande during the strategic military operation with which we began our new military campaign.

This is the general, final count of the result of our victorious action at Cerron Grande and other ambush actions against enemy reinforcements. Attention, these are the figures on arms taken at Cerron Grande, and during an ambush against th e Sensuntepeque 2d military garrison on the Sensuntepeque-Ilobasco highway, as well as the ambush against the Ramon Belloso Battalion troops on the road leading from San Rafael Cedre to Ilobasco. The results to be announced include arms taken from 5th Infantry Brigade troops on the Pan-American Highway near the Santo Domingo Canton. Finally, this report includes the ambush sprung north of San Vicente between San Jacinto and La Burrera.

Attention, the number of arms taken during these actions is as follows: 174 U.S.-made M-16 rifles; an MP5 submachingun; 12 support weapons, including 1 120-mm mortar, 1 60-mm mortar, 4 M-79 grenade launchers, 3 M-60 machineguns, 2 7.62-mm mahcineguns, and 90-mm cannon. We recovered a total of 215 arms, in only 24 hours of fighting in what COPREFA has described as as a propaganda action. These 215 arms, including a cannon, rifles, mortars, machineguns, and grenade launchers are being wielded by our people raised in arms. In addition, we recovered 22 U.S.-type PRC-77 military radio sets and 65,000 rounds of ammunition for therifles recovered. We also caputred 219 shells for the support arms taken from Vides Casanova's puppet Army.

Furthermore, we destroyed six military trucks and damaged two others. These are the figures on the cannon and mortars destroyed by our revolutionary army at Cerron Grande: four 120-mm mortars and one 105-mm howitzer. We also sabotaged 54 large transformers at the dam, a gasoline pumping station, and an energy substation. We blew up the Army's command post and ammunitions depot. We have tentatively estimated the loss suffered by the dictatorship at Cerron Grande at more than 10 million colones. This money will no longer be able to be used to expand genocide in rural areas.

VENCEREMOS ON MILITARY ACTIONS 28 JUNE, 2 JULY

PA031552 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 84

[Text] Our forces on the Anastasio Aquino Paracentral Front remain in a state of alert, while dealing blows to the puppet troops. Here is some information from that front: At 0200 today, 2 July, after a clash in which our forces showed their aggressiveness, FMLN forces disloged enemy troops from a checkpoint located at the El Nance turnoff on the Pan-American Highway. Our forces killed 5 enemy troops and injured 10 others in this action. Our revolutionary forces thus gained control over this enemy position. Here is information from the Feliciano Ama Western Front: Our theater of operations is being extended and our forces are active throughout the country. Attention to information from this front: At 0000 on 28 June, units from the FMLN's Carlos Arias Battalion used artillery fire to harass an enemy post located on km 28 of the Northern Trunk Highway. Other [words indistinct], in northern La Libertad Department. This action was carried out in support of the "Long Live the Workers' Heroic Struggle -- Let Us Defeat Duarte's Capitulation" campaign. This information was sent to us by Commander Chano Guevara. Attention now, for we are just receiving new information on the operation carried out by the units from the Carlos Arias Battalion. They used artillery fire to harass an enemy post located on km 28 of the Northern Trunk Highway. In this operation, the Carlos Arias Battalion units killed six enemy soldiers and wounded nine others.

VENCEREMOS ASSAILS MSGR ROSAS CHAVEZ AS 'REACTIONARY'

PA031957 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 84

[Excerpts] Why is Msgr Rosas Chavez tearing his clothes? In his homily on Sunday, 1 July, Msgr Rosas Chavez voiced views and opinions on the FMLN's activities that prompt the following commentary:

It is regrettable that reactionary and right-wing individuals and figures like Msgr Rosas Chavez must exist in our country. In truth, one does not really understand what they want. Rosas Chavez condemns the workers because their poverty-level wages are insufficient and because they are demanding wage increases. However, Rosas Chavez does not condemn the millions that are spent on bullets, bombs, planes, and warfare against the working class. If, having grown tired of demanding wage increases, the workers stage a strike, Rosas Chavez condemns them. But if the union leaders are jailed, or if the well-known Army squads kidnap workers or make them disappear, Rosas Chavez does not condemn them. With personalities like Msgr Rosas Chavez, whose opinions relate to the most feudal and reactionary views, no one can do well. According to him, the Salvadoran people should simply continue to pray and endure. For over 50 years, the dictatorship's Army has repressed, kidnapped, tortured, bombed, and killed over 40,000 Salvadorans, yet Rosas Chavez has kept silent, like an accomplice. The church hierarchy, of which Msgr Rosas Chavez is both a member and spokesman, should be more concerned over the regrettable fact that, as an institution, it has been unable to act as a mediator in this conflict, with the intention of making it more humane. On the contrary, the church hierarchy has proven itself partial, and not on the side of the poor; instead, it sides with the Army and the rich.

GUATEMALA

FURTHER REPORTAGE ON CONSTITUENT ASSEMBLY ELECTIONS

90 Percent of Votes Counted

PA050414 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 5 Jul 84

[Text] Approximately 1 hour ago the Supreme Electoral Tribunal released the following figures tabulated in the vote count of Sunday's constituent assembly election, after having counted 90 percent of the votes cast:

	Votes	Vote Percentage
Christian Democratic Party	290,517	15.74
Union of the National Center	245,543	13.31
Nationalist Authentic Central-National Liberation Movement	222,905	12.8
Revolutionary Party	127,023	6.88
National Renovating Party	117,369	6.36
Null votes	223,357	12.11
Blank votes	95,100	5.15

The electoral tribunal is expected to announce the final election figures at approximately 2100 tonight.

PDC Leader on Alliance

PA031925 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 3 Jul 84

[Text] Vinicio Cerezo Arevalo, secretary general of the Guatemalan Christian Democratic Party [PDC], said upon learning the final electoral results -- as they have direct sources of information through their delegates in the interior -- that he is pleased with the PDC's victory, because, in his view, there will still be changes in the final data. [sentence as heard] According to him, the PDC has reaffirmed its political strength and its position as a strong and forceful democratic left party.

On announcing a union between the PDC and the National Renovating Party [PNR], Cerezo Arevalo also announced that they are open to dialogue with all democratic groups and that this does not exclude the Union of the National Center [UCN], but he added that the UCN will have to become a democratic party, so that it can join the great Guatemalan democratic alliance that will be led by the PDC.

According to Cerezo Arevalo, a union between the UCN and the National Liberation Movement [MLN] would destroy tham both, so he does not believe that an alliance similar to that in El Salvador will be created here. The PDC regards the UCN as a right-wing party. Although it is a moderate right-wing party, he said, it is still a right-wing party.

PNR, PDC, UCN Leaders' Remarks

PA031948 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 3 Jul 84

[Text] Alejandro Maldonado Aguirre, leader of the National Renovating Party [PNR], has announced that his party will not endorse the election of a provisional president at the national constituent assembly because it is senseless to elect a president within a de facto government. However, commenting on the head of state's statement that the constituent assembly members would be brought into line, he said that should this situation arise, the head of state would simply dissolve the assembly, and that would be a grave responsibility. Commenting on the kind of legislation that the country needs, Maldonado said that it has been a mistake to politically exclude those organizations that have defined themselves as leftist parties and that, within this framework, the Communist Party should be allowed to participate openly.

For his party, Vinicio Cerezo of the Christian Democratic Party [PDC] said that his party also does not believe in choosing a provisional president. The first thing to be done, according to Cerezo, is to think about passing laws that are socially beneficial; within this framework, room must be made for those sectors that have been excluded for many years. Cerezo said that the alliance with the PNR is viewed as a constitutional political plan rather than a private deal.

Meanwhile, the leader of the Union of the National Center [UCN] has said that, in his view, General Mejia Victores' warning that the contituent assembly members would be brought into line will not come to pass. He added that although the UCN does not believe in electing a provisional president, should the idea of manipulating, nullifying, or imposing upon the constituent assembly be pursued, the UCN will give serious consideration to the appointment of a provisional president.

Mejia Press Conference

PA040356 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 4 Jul 84

[Text] Head of State General Oscar Mejia Victores accompanied by Colonel Pablo Nuila Hub, deputy chief of general staff, and public relations secretaries Ramon (Selaj) and Julio Mendizabal, held a press conference this afternoon at 1600 with the local and foreign newsmen who covered our country's constituent assembly elections.

The head of state opened the press conference by thanking Guatemalan citizens for the civic spirit they showed by participating in Sunday's elections, which he described as a success. Answering questions from local and foreign newsmen on the current process in our country, Mejia said that when newsmen watched the events before, during, and after the elections they were able to see Guatemala's current reality, which will soon allow our country to have a democratically elected constitutional president.

Mejia also recalled that his government is a de facto regime and said that it is proud to have taken the first step toward constitutional rule in Guatemala. He said the second step toward the return to constitutional rule will be the general elections to be held next year in which a president, deputies to the Guatemalan congress, and mayors of all municipalities will be elected. Before this election, the head of state said, the Guatemalan constituent assembly will draft a law to regulate the 1985 general elections. This will be done by the constituent assembly that was elected by the people in the recent election to draft the Guatemalan constitution.

During the press conference held this afternoon in the National Palace Banquet Room, Mejia said that subversion no longer exists in Guatemala. We set out a long time ago to rid the country of subversion in order to give peace to our people, he stated, adding that we have already achieved this. The second step was political stability, which has been achieved with Sunday's election, he continued. Now, all we must do is promote agricultural and industrial production to overcome our economic problems.

When questioned about the large number of null and blank votes and abstentions, Mejia Victores said that perhaps the voters did not want to choose any of the political options available during the election, acted this way as a kind of protest or were not familiar with the voting system. At any rate, he added, we must not be afraid because when compared with the proportion of voters in Guatemala, the percentage of null votes in the United States is far higher than that recorded during Sunday's elections in our country.

The head of state said that citizens demonstrated confidence in the Army and the incumbent government. The population was not pressured on Sunday; there was no need to post armed guards near the balloting places. This demonstrated that the citizens know how to behave, how to show respect, and how to trust the current authorities, he said. Besides, he added, the Army is an institution that helps and protects the people. It is an institution that is composed of professionals.

None of the 17 political parties currently active in the country poses a danger to the government, Mejia said when asked if the government fears that the next civilian government will imitate the Argentine and Venezuelan Governments and try former officials for crimes. I am not a prophet; I don't have a crystal ball to predict the future. I don't know what the next government will do but if there is any evidence against any officials they must be taken to the courts.

"Guatemala Flash" interviewed Vinicio Cerezo [secretary general of the Christian Democratic Party] this morning at Hotel El Dorado on this issue. He said that no one will be tried. We think that the past must be forgotten and we must not act like Argentina or Venezuela, he said. Newsmen who are covering the current elections have been asking this question but thus far no political party has said if the [officials of the] governments that preceded the [word indistinct] of 1984 will be investigated or questioned.

Answering questions from the foreign press regarding his statement before the elections that the assembly would be brought into line if it exceeded its bounds, Mejia said that he addressed the statements to the political parties, the citizens, and all electors to carry out a lofty campaign, without rancor or heated battles. In addition, he said, if the people had misinterpreted my statement they would not have gone to the polls. However, you know from the preliminary election data how successful the election was, he continued.

After fielding several questions, the head of state was asked if he would agree to leftist groups acting legally in the country. If the constitution so provides this will be respected, he said, as this would be something constitutional.

Later, the head of state said that he will not be a provisional president and that he will retire from the Army and rest after he turns over power to whomever is elected next year.

Finally, the head of state broached the topic of Guatemalan refugees in Mexico and said this matter saddens him greatly. We have held talks with the Mexican Government. Jorge Toriello, who has been appointed by the government to discuss this matter, will leave next week for Geneva to meet with delegates of the Mexican Red Cross and UN High Commissioner for Refugees to do all that is possible to have the refugees return to this country. The government will help them in every way possible. They will be located in the model towns or villages which have been created by the government, he said.

GOVERNMENT AGREES WITH CONTADORA PEACE PROPOSAL

PA042204 Panama City ACAN in Spanish 1814 GMT 4 Jul 84

[Text] Guatemala City, 4 Jul (ACAN-EFE) -- Today the Guatemalan military regime announced "its agreement" with the "Contadora proposal" on solutions for finding peace in Central America, Foreign Minister Fernando Andrade declared. The minister announced that the study of the proposal "is over" and that "Guatemala accepts it as its own." However, the Guatemalan foreign minister said that the government's formal announcement on this issue will not be made until next week. Andrade revealed that Guatemala will make some observations on the proposal, but affirmed that these "are questions of style, not of content." The Guatemalan diplomat declared that the proposal itself contains the 21 points of the document of objectives and the norms of procedure drafted by the five Central American countries and those of the "Contadora Group" (Mexico, Colombia, Venezuela, and Panama). "The way the proposal is presented makes it feasible for the Central American governments to reach a consensus and accept it," Andrade concluded. The regional governments have until 15 July to submit their observations on the "Contadora proposal."

HONDURAS

DEFENSE MINISTER ON CONTRA CAMPS, FUTURE MANEUVERS

PA041656 Tegucigalpa Domestic Service in Spanish 1130 GMT 4 Jul 84

[Text] Defense Minister Colonel Amilcar Castillo Suazo has denied reports that there are counterrevolutionary camps in Honduran territory. Here is what he said:

[Begin recording] [Castillo Suazo] As I was telling you, I was surprised by this report, because there are no counterrevolutionaries in our country. Such charges are always being leveled by groups that are interested in damaging our country's image. The truth is that our country has never hosted nor supported counterrevolutionaries.

[Unidentified reporter] Colonel, let's talk about another issue, that of military maneuvers. Do you think that there will be further maneuvers in our country?

[Castillo Suazo] Our country will always be willing to carry out any kind of exercise that may benefit our Armed Forces, since it is necessary to be trained and ready for any kind of situation.

[Reporter] What can you tell us about the approximate cost of the military maneuvers?

[Castillo Suazo] That's very hard to say, but I can tell you that the U.S. Army bears most of the expense. Our country provides only certain installations, airfields, seaports, and areas that they, with the agreement of our Armed Forces, use to establish camps for their troops, that they can plan and carry out exercises. [end recording]

U.S.-NICARAGUA TALKS SEEN AS HARMFUL TO COUNTRY

PA032049 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 3 Jul 84

[Commentary by Andres Torres]

[Excerpts] Despite the Honduran Government's assurance that the negotiations between the U.S. Government and the Sandinist regime will have no negative consequences for Honduras, it is obvious that they do. The Reagan administration is leaving the Suazo Cordova administration to fend for itself, putting aside its international peace policy, and embracing the policy of the hawk.

Abrupt changes in U.S. policy like this leave U.S. allies with a constant feeling of uncertainty, no matter who is in the White House at a given time, be it Kennedy, Nixon, Carter, or Reagan. Their changes of policy, which may be anything from a 180- to a 360-degree turn, depend solely on their own interests and not on those of their allies.

What is happening now? The United States is giving the Honduran Foreign Secretariat's policies a cold shoulder, choosing instead to seek a bilateral agreement with Nicaragua. Honduras will probably be told that the rules of the game have changed and that it must arrive at a definite reconciliation with its Nicaraguan neighbor.

Frankly, we fail to understand the gringos. Central America is closer to Washington than is Texas. While the region is virtually aflame, they seem willing to give up Central America in favor of interest on the other side of the Atlantic.

The Soviets are something else entirely. They give no quarter. Daniel Ortega will undoubtedly bring home all of the armament he asked for to strengthen Nicaragua's military might; and it does not intend to fire popcorn or candy at us, but to consolidate its military power and then export its ideology, its death, and its poverty.

We regret this, because the Honduran Government is running the risk of being labeled a manipulated regime, which, acting in good faith, allowed itself to be deceived.

This practical joke is going to leave us with 10,000 heavily armed counterrevolutionaries in Honduras who could become a danger to our people's tranquillity. Worse yet, it will frustrate the Nicaraguan people's dream of freedom and leave thousands of Nicaraguan exiles to weep their final good-byes to their fatherland.

NICARAGUA

FOREIGN MINISTRY: HONDURAS CAPTURES LOST FISHERMEN

PA031710 Managua Radio Sandino Network in Spanish 1200 GMT 3 Jul 84

[Foreign Ministry communique issued in Managua on 2 July]

[Text] The Foreign Ministry wishes to report that on 28 June 1984, three Nicaraguan fishermen who belong to the Puerto Morazan Sandinist People's Militia apparently became lost while fishing. They were on a small outboard-motor boat in Nicaraguan territorial waters in the Gulf of Fonseca.

The boat was found on 30 June with its supplies but without its motor in the area of Mangle Alto, in Nicaraguan territory. As a result of these facts, the Nicaraguan Government assumes the three Nicaraguan fishermen were captured by the Honduran authorities at some undetermined location. The fishermen are Rigoberto Sanchez, Roque Garcia, and Fidel Ordonez.

According to reports from Honduras, the Honduran Navy has announced the capture of three alleged members of the Sandinist People's Army [EPS] in Honduran territorial waters. The reports note that the captured boat is a Soviet-made (Banda) speedboat.

The Nicaraguan Government must deny this report, for no EPS boat has been captured. It is tendentious to claim that three humble Nicaraguan fishermen fishing in the Gulf of Feonseca were engaged in an infiltration operation. The Nicaraguan Government has sent a note to the Honduran Government requesting that these three fishermen be repatriated and their belongings returned.

GDR EDUCATION MINISTER ARRIVES ON OFFICIAL VISIT

PA032130 Managua Radio Sandino Network in Spanish 1200 GMT 3 Jul 84

[Text] A high-level GDR delegation led by Education Minister Margot Honecker arrived in our country yesterday. Companera Honecker and her delegation were received at Sandino Airport by the directors of the Nicaraguan Education Ministry and by officials from the Foreign Ministry and the FSLN's International Relations Department. The other members of the GDR delegation are Werner Engst, deputy education minister; (Jurgen Slavin), from the ministry's International Relations Department; and Dr (Lotar Lunken), Minister Honecker's assistant. The two nations' Education Ministries will sign cooperation and exchange agreements during the visit. On Saturday, 7 July, Sergio Ramirez Mercado will dedicate the (Arnes Talman) Polytechnic Institute in Jinotepe, which was built and equipped with GDR assistance. The GDR education minister has received seven decorations, including the Karl Marx Order, one of the highest given in the GDR.

BORGE SEEKS CLOSER RELATIONS WITH CARIBBEAN

FL042322 Bridgetown CANA in English 2116 GMT 4 Jul 84

[Text] Managua -- July 4, CANA -- Nicaragua is very "keen" to strengthen relations with the Caribbean region, according to Interior Minister Commandante Tomas Borge. Borge spoke of Nicaragua-Caribbean relations during a briefing here with newsmen who attended the just concluded Second Conference of Caribbean and Central American Journalists. Borge said that his country had much in common with "all the small and poor nations of the Caribbean and Latin America," and the "Nicaraguan people and government deeply desire the closest possible cooperation."

Nicaragua is currently engaged in preparations to mark the fifth anniversary of the Sandinista government which took power on July 19, 1979 following the overthrow of the Somoza dictatorship. Governments, political parties, and organisations of the Commonwealth Caribbean have been invited to send representatives for anniversary celebrations.

Last month, an official of the Nicaraguan Government travelled through the Caribbean, inviting a number of Caribbean Community countries, including Barbados, Jamaica, Guyana, and Trinidad and Tobago, as well as Suriname and the Dominican Republic to send participants to the first-ever "Managua Music Festival" to have been mounted for August, is scheduled to be held from October 22-25. [as received]

EDITORIAL SEES U.S. POLICY AS UNCHANGED DESPITE TALKS

PA041431 Managua EL NUEVO DIARIO in Spanish 2 Jul 84 p 2

[Editorial: "Our Moral Resources"]

[Text] While Nicaragua's leaders travel around the world in search of a means to achieve peace and stability in Central America and in search of solidarity for the Sandinist people's revolution, the Reagan administration has of late tried to appear very conciliatory, forced to do so by international pressure, including the Contadora Group's efforts and the decision made by the international court at The Hague on the criminality of the CIA's mining of Nicaraguan harbors, and by the results of its constant misbehavior, which has led to war and death in Central America's countries.

The Reagan administration has, as a result, now donned its "good neighbor-good friend" mask; it changed its tactics by dispatching U.S. Secretary of State George Shultz to finally discuss dialogue with the Nicaraguan Government -- which has always been open to a dignified and frank dialogue -- thus initiating the talks between Nicaragua and the United States, the first round of which was held in Manzanillo, Mexico, 25-26 June. However, the Nicaraguan people are already aware of both the beginning and end of this new grade B Reagan movie; they know that both the visits and talks are simply maneuvers intended to ensure that Reagan is reelected, an effort to see that he does not appear on the world public's screen as intractable and unsociable.

We are equally aware that the Reagan administration sat down in Manzanillo holding a gun under the table, because the attacks, the constant aid to the counterrevolutionaries, and the covert acts of aggression have not stopped. Is this a desire to negotiate and to show respect? No, it is only another lie, another hoax, the mask of a hypocrite.

The contrast is perfectly obvious. The Nicaraguan people, and the leaders of the Junta of the Government of National Reconstruction and of the FSLN, offer an open countenance and a frank proposal: peace and stability in Central America. They demand respect for the peace that they earned with countless sacrifices, and for their right to pursue reconstruction, following the damage produced by a lengthy dictatorship, and to advance toward the future.

The Nicaraguan people's spokesmen have toured the socialist bloc and Western Europe, and both areas, despite their contradictions, have shown us solidarity and reason, demonstrating that they understand the problem that the Central American nations, and particularly Nicaragua, are facing. Government Junta Coordinator Daniel Ortega and Planning Minister Henry Ruiz, both commanders of the revolution, have returned from their tours charged with confidence, a confidence instilled by the Western world and by the European socialists. The truth of the revolution has been accepted with reason; the true utopia in America, which is a reality here in Nicaragua, is an object of admiration and faith in other countries. Only the United States -- or, rather, the Reagan administration -- persists in its myopia, its lies and its warmongering actions. The moral resources of a poor country like Nicaragua are defeating the capital resources of the center of capitalism, the United States. Truth is its own weapon at any table or international forum; only lies require guns and masks to hide behind. At the end of the movi the poor but good, noble, and heroic people will trample the puppets, the thieves, the gunmen, and the political schemers in a super-production such as has never been seen before, and in which Reagan can only play a terrible role.

CORRECTION TO D. ORTEGA PRESS CONFERENCE

The following correction pertains to the item subheaded "Arrival Press Conference," -- on a press conference given by Commander Daniel Ortega at Sandino Airport in Managua on 30 June after a visit to the Soviet Union, Eastern Europe, and Cuba -- published in the 2 July Latin America DAILY REPORT beginning on page P 17:

First paragraph, from line one:

[Text] [Ortega] Good afternoon. First of all, on behalf of the Nicaraguan delegation that included Commander Henry Ruiz, Companero Foreign Minister Miguel D'Escoto, and Companero Julio Lopez, among others we wish to... [changing processing indicator, supplying passage]

First paragraph, from last line:

...the Nicaraguan people. In that spirit, we made an intensive tour of the Soviet Union, where we met with Companero Konstantin Chernenko; the GDR, where we met with Companero Erich Honecker; Bulgaria, where we met with Companero Todor Zhivkov; Poland, where we met with Companero Wojciech Jaruzelski; Hungary, where we met with Companero Janos Kadar; Romania, where we met with Companero Nicolae Ceausescu; Czechoslovakia, where we met with Companero Gustav Husak; and Cuba, where, on our way there and on our return, we met with Companero Fidel Castro. [new paragraph] We can assure... (supplying passage)

Second paragraph, from last line:

...in all areas. Therefore, we feel truly satisfied with the results of our tour of the countries in the socialist community, and we are back in Nicaragua ready to resume our work. If you have any questions, we will be happy to answer them.

[Question] There has been much speculation about the reasons for your trip to the socialist countries, especially in terms of military matters, military aid, the purchase of MiG's, and economic aid. Can you tell us specifically what the results have been in this area? (?Did you obtain) military and econonic aid for Nicaragua?

[Ortega] We have clearly stated that the most important aspect of this trip is Nicaragua's expressed will to defend its right to have relations with the countries in the socialist community. The U.S. Administration has been trying to question this right. It wants to tell Nicaragua with whom it should have relations and with whom it should not. Once and for all, it should be clear to the U.S. Administration that it is the Nicaraguan people who decide with whom they should or should not have relations. The Nicaraguan people can maintain relations with any country in the world that they wish. The countries of the socialist community occupy a very important place in these relations. There is multifaceted cooperation from the socialist countries. Our people are aware of this and value it. We must add that this cooperation is increasingly being strengthened.

[Question] [Name indistinct] of Radio Sandino. Commander, in your visit to these countries, did you sign any specific cooperation agreements that you can tell us about?

[Ortega] Yes, we ratified already established agreements, others were readjusted, and others were signed.

[Question] Commander, General... (supplying passage)

Paragraph seven, from last line;

...policy of domination. We must state that the United States is a society that traffics not only in drugs but in life. The U.S. rulers are the world's traffickers in death.

[Question] [Name indistinct] of CBS. I have two questions. I am sorry I must ask you this first question [words indistinct] an article was published in THE NEW YORK TIMES saying that Nicaragua is sending more weapons to the revolutionary groups in El Salvador and Guatemala, that there has been an increase in the alleged supply of weapons. I would like you to comment on this. Second, can you give us some specific details of your visit to the Soviet Union and the other countries; any agreements, any concrete results of this trip?

[Ortega] We must once again declare that the United States is the main arms supplier for the Salvadoran revolutionaries. This is confirmed by the fact that the Salvadoran revolutionaries have dealt a new blow to the Salvadoran Army in recent days, seizing hundreds of rifles, mortars, cannon, ammunition, and prisoners. So, talking about weapons, it is the United States, which gives those weapons to the Salvadoran Army, that is the main arms supplier for the Salvadoran revolutionaries. As for the results of our trip to the socialist community, we have already made statements in this regard.

[Question] What prospects do you see for the U.S.-Nicaraguan meeting in Manzanillo? Can you comment on this? Another question is: Is military aid from the socialist countries coming, in view of the fact that before you left you spoke of the need for air defense because of attacks in recent months?

[Ortega] We have already explained on other occasions that Nicaragua has undertaken, with various governments of various political and ideological persuasions, to obtain a supply of armaments for defense, and that these would include planes for the defense of the revolution. If something has delayed this, it is the fact that we are training our pilots. [New paragraph] As for the... (supplying passage).

CORRECTION TO 269 TEACHERS ARRIVE FROM GUANTANAMO

The following correction pertains to the item headlined "269 Cuban Teachers Arrive From Guantanamo," published in the 27 June Latin American DAILY REPORT, page P 10:

Make headline read...269 Teachers Arrive From Guantanamo... (deleting "Cuban")

URUGUAYAN 'CIA AGENT' SAID BEHIND PASTORA ATTACK

PA041533 Madrid EFE in Spanish 1457 GMT 4 Jul 84

[Text] Madrid, 4 Jul (EFE) -- The "Danish journalist" who attempted to take Eden Pastora's life recently was not an ETA terrorist but a Uruguayan CIA agent, the Spanish magazine INTERVIU asserts today. According to that source, "the attempt involves Hector Amedio Perez, an agent for the Uruguayan dictatorship, who years ago infiltrated the Tupamaro front and who serves the U.S. Central Intelligence Agency."

The magazine published a photograph depicting Hector Amedio Perez lying on the floor as a result of the explosion that was intended to kill the Nicaraguan guerrilla. It also published three other photographs of the Uruguayan, one taken 14 years ago, another that was published in a book 12 years ago, and a third taken "at the clinic after the attack."

INTERVIU claims that Hector Amedio Perez participated directly in the assassination of Uruguayan Congressmen Gutierrez Luis and Zelmar Michelini in Buenos Aires, an attack that was also directed against Wilson Ferreira Aldunate. The Spanish magazine says that the phony Danish journalist who carried out the attack on Pastora made a statement for the Costa Rican radio station Radio Monumental in perfect Spanish with a pronounded Rio de la Plata accent. An investigation into the voice and photographs mentioned above led INTERVIU to the conclusion that the false Hansen der Anker is none other than Hector Amedio Perez.

VOICE OF SANDINO REPORTS ON FIGHTING, CASUALTIES

'Cuban Mercenary' Killed

PA032119 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 2 Jul 84

[Text] Chontales and Nueva Guinea are without power due to heavy fighting. Attention, last minutes news: Heavy fighting between our Democratic Revolutionary Alliance [ARDE] and the pro-Soviet Sandinist People's Army [EPS] has continued in Chontales and Nueva Guinea. Our companeros reported that a large part of Chontales and Nueva Guinea are without electricity because we have had to destroy powerlines during the heavy fighting. In the fierce combats between ARDE forces and the Cuban-Soviet Army in Chontales Department, a Cuban mercenary was killed. We have confirmed this. In addition, 12 Cubans were wounded and are being transferred to the Managua military hospital by helicopter. This is further proof that we are fighting against Cuban pseudo-internationalists and other nations in Nicaragua. They violate our sovereignty and trample our dignity.

Clash in Rio Sao Juan

PA032143 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 2 Jul 84

["Interim General Command" of the Nicaraguan Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 243, issued in Sarapiqui, "free territory of Nicaragua," on 2 July]

[Text] The Interim General Command of the ARDE Armed Forces reports to the heroic Nicaraguan people and the world's friendly peoples that:

1. At 0715 on 28 June, the heroic Carlos Borsejano column of the (Coba) and (Cobra) units, under the command of Companeros Amilcar and Panameno, clashed with the pro-Soviet Sandinist People's Army [EPS] in (El Espino Blanco), [name indistinct] jurisdiction, Rio San Juan Department.

2. Our army, defender of national sovereignty, forced the Stalinist EPS to flee in disarray. We inflicted 45 casualties, including the dead and wounded, on them in a clash that lasted 2 hours.

3. In this action we must deplore the lost of Companero Francisco Rodriguez of (?San Bosco), Jinotepe. Three companeros were slightly wounded and are recovering at our hospital tents in southern Nicaraguan camps.

For a free Nicaragua, strike the Cuban invader!

Without totalitarianism or a return to the past!

[Signed] Commander Ramon, Interim Commander of the ARDE Armed Forces

11 Killed in Ambush

PA032148 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 2 Jul 84

["Interim General Command" of the Nicaraguan Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 244 issued in Sarapiqui, "free territory of Nicaragua," on 2 July]

[Text] The Interim General Command of the ARDE Armed Forces reports to the heroic Nicaraguan people and the world's friendly peoples that:

1. At 0600 on 26 June, the heroic Alvaro Lopez Castillo column of the Terciopelo Unit, under the command of Companeros Mojarra and Jirgo, ambushed a blue and white station wagon only 13 km from the road to San Miguelito.

2. Our army of workers and peasants killed 11 interventionist Army troops who were officers of the evil State Security Office, including the repressive Roberto Vega, member of the San Miguelito Municipal Board.

3. We sustained no casualties in this action which lasted 3 minutes.

The peasant insurrection led by our Commander Eden Pastora, founder of ARDE and the man who is continuing Sandino's struggle, continue to advance toward our homeland's central and northern regions. He, together with all the Nicaraguan people, will soon be fighting the pro-Soviet Army in the capital.

Nicaragua will be a republic again!

Without totalitarianism or a return to the past!

[Signed] Commander Ramon, Interim Commander of the ARDE Armed Forces

EpS Attacks ARDE Positions

PA041816 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 3 Jul 84

["Interim General Command" of the Nicaraguan Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 245 issued in Sarapiqui, "free territory of Nicaragua," on 3 July]

[Text] The Interim General Command of the ARDE Armed Forces reports to the heroic Nicaraguan people and the world's friendly peoples that:

1. At 0900 on 12 June, the heroic [name indistinct] column of the Sandino Revolutionary Front's Boa Unit, under the command of Companero Leonel, clashed with an attack force from the pro-Soviet Sandinist People's Army [EPS] in a place known as (El Camastro), in the El Almendro jurisdiction of Rio San Juan Department.

2. The interventionist Army attacked our positions in (El Camastro) with rifle and artillery fire. Our army, defender of our sovereignty, responded with a rifle fire cross fire, inflicting 10 casualties on the interventionist army.

3. None of our men were killed. but three of our companeros were slightly injured. They are already recovering in our camp hospitals here in our mountains. In this new attack, our army of workers and peasants once again demonstrated its great bravery, its love for the fatherland, and its desire to be free of communist terror. The clash lasted 30 minutes.

As we defeated Somozism, we will defeat communism!

Without totalitarianism or a return to the past!

[Signed] Commander Ramon, Interim Commander of the ARDE Armed Forces

EPS Patrol Ambushed

PA041935 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 4 Jul 84

["Interim General Command" of the Nicaraguan Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 246 issued in Sarapiqui, "free territory of Nicaragua," on 3 July]

[Text] The Interim General Command of the ARDE Forces reports to the heroic Nicaraguan people and the world's friendly peoples that:

1. At 1300 on 25 June, the heroic Domingo Antonio Gutierrez Giron Column of the Sandino Revolutionary Front's Boa Unit, under the command of Companero Aircaraban, ambushed the interventionist Sandinist People's Army [EPS] at a place as Zacatera, in the El Almendro jurisdiction of Rio San Juan Department.

2. A patrol from the pro-Soviet EPS fell into one of our ambushes in the area of El Almendro, and our army inflicted 10 casualties upon it, both dead and wounded.

3. We sustained no casualties in the clash, which lasted 20 minutes. Once this operation concluded, our forces withdrew in an orderly fashion to our liberated positions, in accordance with the guerrilla warfare strategy employed by our army of workers and peasants.

We will bury the Cuban-Soviet mercenaries in our mountains!

Without totalitarianism or a return to the past!

[Signed] Commander Ramon, Interim Commander of the ARDE Armed Forces

PASTORA ON MILITARY AID, CONDITIONS FOR ELECTIONS

PA042020 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 4 Jul 84

[Excerpts] Commander Pastora, founder and leader of the Democratic Revolutionary Alliance, ARDE, announced at a press conference in Washington that although he is seeking political solutions for Nicaragua, he is not planning to forsake the 10,000 workers and peasants who make up the army, the defender of our national sovereignty, that is present here in the south, central, and Atlantic areas of our fatherland.

Commander Pastora said that he has sought political solutions from the outset. For me, he said, the political aspect of the issue lies above the military aspect, but I will never abandon our companeros who are in the mountains. He added: We have not joined the contras.

Commander Pastora told the more than 80 journalists who attended his press conference in Washington that military aid is a supplementary thing. We can endure for months and even years, he said, because our resistance is based on massive support from the Nicaraguan peopoe.

When Commander Pastora was asked whether he has any complaints about the irregular financial aid received from the United States, he answered: We have friends, sympathizers, and admirers who give us political support, but we do not regard them as allies, because the help that we have received cannot be that of an ally.

Meanwhile, a spirit of true unity prevailed yesterday when Commander Pastora, founder and leader of ARDE; Dr Arturo Cruz, a former Nicaraguan ambassador to Washington; and Alfredo Cesar, Jose Davila, Brooklyn Rivera, and Companero Donald Castillo urged all opposition leaders to help restore democracy in Nicaragua, as this is the only means of putting an end to the bloodshed in our country and in Central America.

When Commander Pastora was asked whether this political initiative had been proposed by Carlos Andres Perez, he answered: This is a Nicaraguan project. We will remain unswerving in our opposition to any electoral farce. He added: Former Venezuelan President Perez is cooperating with us, and is currently presenting this proposal to the Socialist International.

Commander Pastora listed several conditions that he sees as essential for participation in the next elections: freedom of the press; sufficient time to conduct a political campaign; political freedoms; separation of state, army, and party; the expulsion of the 12,000 Cuban soldiers who are in Nicaragua, under the command of two generals who have been in Angola, Ethiopia, and Mozambique; and personal guarantees for all opposition leaders. Commander Pastora indicated that (?without these conditions), [words indistinct] the November elections will be a Somozist-like farce.

Later, he said: We are requesting international support for this peace proposal. The alliance, Commander Pastora went on, hopes to secure international support for the Democratic Coordinating Board's demands of the Nicaraguan misgovernment in connection with the elections slated for November.

CASTRO PRESIDES OVER 9TH PARTY PLENUM

FL041144 Havana Domestic Service in Spanish 1000 GMT 4 Jul 84

[Text] Cuba's Communist Party held its 9th Plenum of Tuesday, presided over by the party's first secretary Fidel Castro. An evaluation of Cuba's economic and social position was made at the meeting, confirming the advancements which have been made in these areas. A report was made on what preparations would be needed for holding the party's 3d Congress. A central organizing committee for completing these preparations was selected, made up of full and alternate Politburo and Central Committee Secretariat members. Also studied was the 1983 work report by the Party Control and Revisions Committee. The report was approved. It was agreed that at the next plenum, a report will be made on the party's present ideological work. The closing words at the 9th Plenum were made by Commander in Chief Fidel Castro.

CASTRO SENDS CONGRATULATIONS TO VENEZUELA

FL041826 Havana Domestic Service in Spanish 1700 GMT 4 Jul 84

[Text] Commander in Chief Fidel Castro has expressed Cuba's friendship toward Venezuela in a letter to that nation on its 163rd anniversary of independence. The following is the text of Fidel's letter to Venezuela's President Jaime Lusinchi.

On the occasion of Venezuela's 163d anniversary of independence, it pleases me to extend, on behalf of the people and the government of Cuba, our sincere congratulations on this historic anniversary. And, to express on an occasion such as this, Cuba's permanent feelings of friendship to the brother country of Venezuela.

In testimony of my highest regard.

Signed Fidel Castro Ruz, President of the Council of State and of the Government of the Republic of Cuba.

COMMENTARY DECRIES U.S. RECEPTION FOR D'AUBUISSON

PA031316 Havana International Service in Spanish 2310 GMT 2 Jul 84

["Our America" commentary]

[Text] The U.S. Government has shown more than once that it has no scruples in pursuing its policy of confrontation in its efforts to crush the people's struggle for liberation. Washington has no qualms whatsoever in risking the safety of its officials or in putting their prestige on the line, as the administration has recently demonstrated. Although it is no secret that there are close links between Ronald Reagan's administration and El Salvador's extreme right, that relationship appeared somewhat clouded during the recent electoral campaign from which Christian Democrat Jose Napoleon Duarte emerged the winner.

During that electoral campaign Washington twice refused to grant a visa for Salvadoran presidential candidate Roberto D'Aubuisson to go to the United States. Former Army Major D'Aubuisson, chief of the ultrarightist Nationalist Republican Alliance and linked to the death squads that operate in El Salvador, has not only now been received as a guest in Washington, but has been allowed to hold talks with high U.S. Government officials.

Now that D'Aubuisson is in the ranks of the opposition to Duarte's government, he received a special audience with Langhorne Motley, U.S. assistant secretary of state for inter-American affairs. U.S. State Department spokesman John Hughes tried to explain the cordial treatment now accorded D'Aubuisson after he was twice rejected by Washington by saying that, as it is well known, D'Aubuisson now plays a key role in Salvadoran politics and the opposition leadership. What is most noticeable, however, is that the U.S. Government has dismissed the accusations involving D'Aubuisson in a thwarted plan to murder U.S. Ambassador to San Salvador Thomas Pickering. Since his arrival in the United States, the Salvadoran politician has repeatedly belied these accusations, but his counter arguments are unconvincing. First of all, D'Aubuisson said that Ronald Reagan had sent him a special messenger, General Vernon Walters, to convince him [words indistinct] criminal plan against the U.S. diplomat. Now, the Salvadoran ultrarightist politician says that, on the contrary, he helped prevent what he described as an ugly thing against Ambassador Pickering and called Senator Jesse Helms (R. -- North Carolina) as his witness. Some newsmen wanted to learn who had organized the scheme to kill the U.S. ambassador. D'Aubuisson said he did not know who was involved in this plot, but did not explain how he managed to prevent the consummation of the murder while he was unaware of such fundamental information. Former Ambassador to El Salvador Robert White, who resigned his post because of disagreements with Washington's policy in the Salvadoran conflict, described D'Aubuisson as a pathological murderer and Democratic Senator Christopher Dodd asserted that by letting D'Aubuisson come to Washington he is being treated as a hero of sorts.

JACKSON'S VISIT, U.S.-CUBAN RELATIONS ASSESSED

PA031628 Havana International Service in Spanish 0000 GMT 3 Jul 84

[Station commentary: "Cuban-U.S. Relations"]

[Text] The recent visit to Cuba by Jesse Jackson, black religious leader and presidential hopeful for the U.S. Democratic Party, has once again made U.S.-Cuban relations a matter of discussion. For numerous observers and journalists, the Cuban Government's gestures of goodwill on the occasion of Jackson's visit could mark the beginning of a new era in bilateral relations and could promote detente in Central America and the Caribbean, if Washington adopts a realistic position. By releasing 22 U.S. citizens linked to drug trafficking from jail, along with 26 Cuban citizens who were being punished for carrying out actions against state security, Cuba deprived Reagan of one of the points he has demanded as a condition for holding talks with Cuba.

State Department and White House spokesmen, as well as Democratic and Republican politicians, have had to admit that Cuba's decision was positive. At the same time, however, other politicians have said that these gestures are not sufficient, in their opinion, to prompt pursuit of a normalization of relations. In a parallel action, the U.S. Supreme Court approved the reimposition of the ban on visits to Cuba by U.S. citizens, with a few exceptions. A few days ago, prior to Jackson's visit to Havana, the U.S. Senate approved, by a broad majority, a resolution introduced by Steve Symms, Republican, threatening Cuba with armed intervention should our country interfere in territories considered to be of interest to the United States.

At the same time, Cuba is accused of exporting its revolution, and it is said that Cuba's intervention has provoked political and social turmoil in Latin America, primarily in Central America and the Caribbean. At a press conference he held with Jackson following their talks, Fidel Castro said: I think that relations will someday have to be normalized, as this situation cannot go on forever. It could be Reagan, or it could be another U.S. president, but one of them will, and we are not excluding anyone. Castro added: In the United States, it is said that revolutions have caused immigration to the United States. We contend that this statement is absolutely false, and that the cause for immigration to the United States is poverty in Latin America and the Caribbean. Even though the U.S. Government and the so-called free press in that country first tried to attach little importance to Rev Jackson's visit to Cuba, developments, the open and frank talks between the two leaders, and the results of their meeting have forced them to give it the importance it deserved.

Among the topics discussed by Fidel Castro and Jesse Jackson are 10 relevant aspects on which they reached agreement. These include the normalization of bilateral relations, the situation in southern Africa, and the Central American conflict. On the first issue, Fidel Castro agreed to exchange ambassadors, and now the decision is up to the United States. On Central America, Jackson and Fidel Castro concluded that it is necessary to seek and support solutions based on the principles of respect for nonintervention and noninterference in other countries' internal affairs, and respect for their sovereignty and independence. They also expressed their support for the Contadora Group's efforts. On the subject of southern Africa, the two leaders called for the implementation of UN Security Council Resolution No 435 on Namibia, for a halt to South Africa's attacks on Angola, and for an end to Pretoria's support for the counterrevolutionary groups that are opposed to the Angloan Government.

As we can see, Cuban-U.S. relations and the positive development of the situations in Central America and southern Africa now await the reaction of Ronald Reagan's government. Cuba's decision to release almost 50 U.S. citizens and Cuban counterrevolutionaries, its permanent willingness to seek ways to reduce tension between Havana and Washington, and the reiteration of its positions on reaching negotiated solutions in Central America and southern Africa are matters of vital importance to the path toward detente and peace. It is now Washington's turn to speak.

HAVANA REPORTS ON JACKSON BORDER SPEECH

FL031653 Havana Domestic Service in Spanish 1600 GMT 3 Jul 84

[Text] Mexico City -- Jesse Jackson, candidate for the Democratic Party's nomination for president of the United States, said in a ceremony held in the so-called no-man's-land, along the U.S.-Mexican border between Tijuana, Mexico and San Diego, United States, that his country should dramatically reduce its manufacture of weapons, and its aid to tyrannical Central Americal regimes and eliminate repressive laws such as the Simpson-Mazzoli bill. Moments before the ceremony, Jackson was verbally attacked by members of the so-called Jewish Defense League and the tiny counterrevolutionary group of individuals of Cuban origin known as Alpha-66. Referring to Central America and the Caribbean, Jackson warned: It is time for us to halt the war in this region where people fearfully watch the arrival of boats, soldiers, weapons, and airplanes from the United States.

Jackson concluded by saying: We must fight for peace while there is still a chance. We must realize that nothing is achieved by destruction and that it is necessary to halt the bloodshed, which can stain us all.

U.S. PLANS TO PRESSURE MEXICO, OTHER COUNTRIES

PA032102 Havana International Service in Spanish 0000 GMT 3 Jul 84

[Text] The U.S. President ordered that diplomatic pressure be applied to Mexico to force it to modify its Central American policy. The order is to be carried out on the basis of a plan that also includes economic and commercial sanctions against this Latin American country. The plan was outlined in Directive No 124 issued by the U.S. National Security Council, signed by Reagan on 24 February, which was published in today's issue of the Mexican daily EXCELSIOR. The directive also calls for more pressure from Washington on the USSR, Cuba, and Nicaragua.

Mexico's Silva Responds

FL040108 Havana Television Service in Spanish 0000 GMT 4 Jul 84

[Text] The Mexican Government, through Secretary of Finance and Public Credit Jesus Silva Herzog, has confirmed that Mexico is being pressured to change direction. The daily newspaper EXCELSIOR has revealed that National Security Directive 124 signed by U.S. President Ronald Reagan orders the intensification of diplomatic efforts to get Mexico to vary its foreign policy. Silva Herzog said: It is necessary to maintain a responsible nationalist attitude to continue to face firmly the problems affecting the nation.

JORGE RISQUET RECEIVES CAPE VERDE PRIME MINISTER

FL040130 Havana Television Service in Spanish 0000 GMT 4 Jul 84

[Text] Jorge Risquet Valdes, member of the Politburo of Cuba's Communist Party, today received Pedro Pires, assistant secretary general of the African Party for the Independence of Cape Verde and prime minister of the Republic of Cape Verde, at party Central Committee headquarters. During the meeting, which took place in a cordial, friendly atmosphere, matters of mutual interest were discussed that referred to relations existing between the two parties. Matters related to the international situation were also discussed, especially matters related to the southern tip of Africa. Both leaders stressed the need to work to find solutions to conflict in the area that will guarantee peace.

POLISH MINISTER URBAN ARRIVES, TO MEET LEADERS

FL031258 Havana Domestic Service in Spanish 1000 GMT 3 Jul 84

[Text] Polish Minister Jerzy Urban has arrived in Cuba, invited by Cuba's Foreign Ministry. Urban will be acting as the Polish Government's spokesman and will meet with government and party leaders. The Polish minister will visit various types of media agencies and places of historical and cultural interest.

FURTHER REPORTAGE ON MONTANE TRIP, MEETINGS

Arrives in Bulgaria

FL031250 Havana Domestic Service in Spanish 1000 GMT 3 Jul 84

[Text] A Cuban Communist Party delegation has recently arrived in Bulgaria on the third stop of a tour which included stops in Hungary and Poland. Jesus Montane, alternate Politburo and Secretariat full member, is leading the delegation. Montane will hold conversations with Bulgarian political leaders and will meet with Cuban persons temporarily in Bulgaria.

Meets With Party Secretary

FL042110 Havana Domestic Service in Spanish 1800 GMT 4 Jul 84

[Text] In Sofia, Dimitur Stanishev, secretary of the Bulgarian Communist Party, and Jesus Montane Oropesa, alternate member of the party Politburo, have studied the world situation and found that their points of view coincide perfectly. The two political leaders stressed U.S. responsibility for the development of international relations, using as an example the deployment of U.S. missiles in Western Europe. During their conversations, Stanishev and Montane also condemned the U.S. Administration's maneuvers to prevent the solution of Central America conflicts and its aggressive policy against Nicaragua, Cuba, and the Latin American progressive movements. The two leaders described the ties between their respective parties as being in an excellent state of development.

COMMENTARY VIEWS THWARTED COUP IN BOLIVIA

PA041604 Havana International Service in Spanish 2310 GMT 3 Jul 84

["Our America" commentary]

[Excerpts] Last weekend's kidnapping and subsequent release of Bolivian President Hernan Siles Zuazo brought that country's domestic situation into sharp focus. The abduction -- which, from every angle, has emerged as a new coup attempt -- had a boomerang effect on the conspirators, for the developments only served to strengthen Siles Zuazo's democratic government at home and to increase its prestige abroad. No matter what the plotters' purposes may have been, it is clear that Saturday's developments permitted President Siles to put down a long-standing case of insubordination among the 100 majors and lieutenant colonels who are students at the Cochabamba Command and General Staff School. For the past 2 weeks, they had been demanding that Army Commander in Chief General Simon Sejas Tordoya be dismissed. The president's kidnapping and release prompted the school to join all of the other branches of the Armed Forces in declaring complete support for the democratic process and repudiation of the coup attempt.

On another level, President Siles Zuazo had been grappling with a strike of indefinite duration involving the Bolivian Labor Federation [COB] since the Monday before he was abducted. The workers were protesting an alleged failure by the government to honor salary and price control pledges. The kidnapping, however, transformed the strike movement into demonstrations in support of the democratic process and of President Siles Zuazo. Observers have pointed out one outstanding fact prompted by Bolivia's weekend developments: This has been the first time in Bolivian history that the ruling Democratic and Popular Unity Party, the COB, and the military formed a common bloc against anything. This is rendered particularly meaningful by the fact that it took place in a country that is renowned for political instability -- 190 coups d'etat have taken place in Bolivia's 160 years as a Republic. It is worth noting that Siles Zuazo, who came to power through general elections on 10 October 1982, is the first president to create a democratic government after 18 years of military regimes.

At the international level, last Saturday's developments enhanced the Bolivian president's prestige. He received support from UN Secretary General Javier Perez de Cuellar, the OAS permanent council, and from many heads of state in Latin America and other parts of the world.

Reactions like these contributed to the failure of the coup and rallied support from the military or political parties. The sum total of these elements rapidly isolated President Siles Zuazo's kidnappers, who, devoid of domestic or international support, had no option but to seek shelter in the Argentine and Venezuelan Embassies.

BOLIVIAN LABOR FEDERATION RESUMES STRIKE THREAT

PA041958 Havana International Service in Spanish 1600 GMT 4 Jul 84

[Text] The Bolivian Labor Federation has warned that its workers will go on strike tomorrow for an indefinite period if the government does not satisfy their labor and economic demands. Oscar Sanjines, secretary general of that organization, has said that the strike was initially planned for last Monday but was suspended because of the anti-government plot. Sanjines said that the deadline that the COB gave the government following last Saturday's events expires today, and that the strike will take place if the government does not respond satisfactorily. Observers believe that the situation that has emerged in Bolivia following the coup attempt will permit the workers and the government to reach an agreement.

Meanwhile, security forces continue to arrest people who could be implicated in Saturday's plot, which involved the kidnapping of President Siles Zuazo, who was freed after 10 hours. Arrests are taking place in La Paz and other Bolivian cities. Interior Minister Federico Alvarez Plata has announced that the kidnapping was to culminate with the murder of President Siles Zuazo, thus refuting reports that it was a hoax.

HAVANA ON POLITICAL SITUATION IN URUGUAY

PA032051 Havana International Service in Spanish 1600 GMT 3 Jul 84

[Text] Ruben Torres, the representative in Cuba of Uruguay's 26 March Movement, has told this radio station about (Adolfo Guaso Gualani), a Uruguayan political prisoner and member of the National Liberation Movement-Tupamaros Faction who went on a hunger strike this week. (Guaso Gualani) has cancer and is currently in a military hospital because of his delicate health. He is demanding amnesty for all Uruguayan political prisoners, more than 900 of whom are in the La Libertad prison, 50 km from Montevideo.

Recently, (Guaso Gualani) and eight other Tupamaros leaders, including Raul Sendic, the movement's highest leader, were transferred from various prisons to La Libertad, but all reports indicate that their conditions have become worsened.

Meanwhile, the Uruguayan regime has released Colonel (Carlos Sufriategui), who was arrested in Montevideo along with General (Victor Lucandro) and General Liber Seregni shortly after the 1973 coup. (Lucandro) and Seregni were released earlier, after spending 8 and 10 years in prison, respectively. The release of (Sulfriategui) comes at a time when the opposition political forces are demanding that the dictatorship demonstrate its willingness to implement democracy in the country. The Colorado Party, the Civic Union, and the illegal Broad Front have agreed to continue their dialogue with military to attain this objective. Only the National Party has refused to continue the dialogue, in protest over the arrest of Wilson Ferreira Aldunate, its leader.

PCCH'S BALTRA DISCUSSES CHILEAN SITUATION

PA040248 Havana International Service in Spanish 0000 GMT 3 Jul 84

[Mireya Baltra, member of the Communist Party of Chile (PCCh), interviewed by Estrella Diaz, in Havana; date not given -- recorded]

[Text] [Diaz] What importance do you attribute to the recent PCCh national convention in your country?

[Baltra] I would say it has maximum importance. The coup d'etat [staged by the current government rulers] was staged to extirpate "the Marxist cancer." The coup, promoted, financed and planned by the imperialists, was staged to eliminate Communist leaders and party members. It was staged to erase the Communist Party from the face of the earth, from our fatherland, from Chile. Almost 11 years later, the PCCh has emerged as one of the country's main forces, which organizes the struggle of the masses. It held a national convention that reelected Secretary General Luis Corvalan to a new central committee to lead our people to rebellion and victory. At this convention, discussions were held by the party cells that have been established in hospitals, production centers, and towns which include groups of women, students, professionals and artists. Each member pledged to strengthen our fighting policy of mass rebellion, correct errors and realize that an organized and disciplined unit [destacamento], a revolutionary unit, is a basic requirement for defeating fascism. In other words, the PCCh national convention will become the political, ideological and organizational key to the unity of all of our people until they attain victory.

[Diaz] Mireya, what importance do you attribute to a nationwide strike as a means of waging the Chilean people's struggle?

[Baltra] Our people and workers consider it very important. A nationwide strike, as it has been conceived, is an advanced phase in our people's struggle. It represents a fighting commitment on the part of the entire opposition, because the People's Democratic Movement, the Democratic Alliance [Alianza Democratica] and other opposition sectors are determined to make this nationwide strike serve to precipitate the fall of the tyranny.

It is essentially a political strike, which is also linked to the people's most heartfelt and cherished hopes. The first, supreme hope cherished by most of our people is that we oust the tyrant, that we oust Pinochet. This is why the nationwide strike is being prepared and organized. Its tasks are being identified. The nationwide strike is the focus of attention of combat-disciplined forces to an extent never seen before in our country's history.

Therefore, our responsibility outside Chile is to support that nationwide strike in order to promote and stimulate solidarity from the international labor movement, from the labor union movement and from all of the democratic, progressive and revolutionary forces in the world so that they will help us to free ourselves from fascism.

[Diaz] Mireya, how long will the Armed Forces support Pinochet?

[Baltra] That is a question that our people are asking themselves. In this regard, the most loyal forces in our country are working to see that the most honest, patriotic and conscientious forces within the Armed Forces help to bring about a change in the Chilean situation and, more specifically, encourage the patriotic sectors within the Armed Forces to expel Pinochet from the ranks of the Armed Forces and from the government itself.

This is a direct objective of the mass effort that the Chilean people are making with respect to the Armed Forces. It is directly related to the degree to which the Pinochet regime is isolated. We believe that one of the most important factors is for the struggle of the working class and the people to be placed on the offensive [apresentamiento ofensivo de la lucha]. I refer to the daily struggle, the struggle on all fronts and in all social sectors. We seek rapprochement with the Armed Forces -- a broad, frank and direct dialogue within its garrisons and headquarters. We want to restore the historical meaning, the historical roots of our Armed Forces, which were established early in the last century to achieve national independence. We want the Armed Forces to exist to defend the people's independence and the nation's sovereignty.

HAVANA NOTES DISMISSAL OF PANAMANIAN OFFICER

PA032108 Havana International Service in Spanish 0000 GMT 3 Jul 84

[Text] The Panamanian Defense Forces general staff agreed to discharge Lieutenant Colonel Julian Melo Borbua from active service. Lt Col Melo was executive secretary of the Armed Forces Command. A communique signed by Colonel Roberto Diaz, the Defense Forces acting commander in chief, noted that investigations carried out by the military intelligence services disclosed that Melo Borbua had links with international drug trafficking. The Panamanian daily LA PRENSA said that Melo Borbua has been charged with introducing more than 6,000 55-gallon drums of ethylic ether, an essential ingredient in processing cocaine, into the country.

ANPP TO HOLD 6TH ORDINARY SESSION 5 JULY

FL041216 Havana Domestic Service in Spanish 10000 GMT 4 Jul 84

[Text] The 6th Ordinary Session of the 2d Legislature of the National Assembly of Peoples Government [ANPP] will begin at 0900 tomorrow at Havana's Palace of Conventions. The delegates will discuss a variety of subjects. The agenda includes several annual reports and 6 studies made by three ANPP permanent committees in cooperation with other working groups and experts and technicians from state and mass organizations. The Ministry of Food Industry, the Supreme People's Tribunal, Cuba's General Prosecutors Office, and the Peoples Government Provincial Assemblies and the assembly from the Isle of Youth special municipality will give their annual reports. The Peoples Government Provincial Assemblies report will be presented by the president of the Sancti Spiritus Provincial Assembly.

BAHAMAS HOSTS CARICOM TRADE MINISTERS MEETING

FL031942 Bridgetown CANA in English 1824 GMT 3 Jul 84

[By Paget Defreitas]

[Text] Nassau, Bahamas, July 4, CANA -- Caribbean Community (Caricom) trade ministers began a crucial meeting here today with blunt warnings from Barbados and Antigua that they should frontally attack the crucial question of reviving intra-Caricom trade that has over the past 18 months put severe strains on the fabric of the community.

Today's meeting, the third in six months to look at the issue, is the final in a series of conferences here of Caricom officials and ministers before tomorrow's opening of a three-day summit of the community's leaders, and officials here hope that it will provide concrete suggestions and recommendations for them to ratify.

Antigua's deputy prime minsiter, Lester Bird, speaking in his capacity of outgoing chairman of the Council of Ministers, said that foreign exchange shortages, currency devaluations, and quantitative restrictions had all converged to "create a climate of discord and a formula for suspicion and cynical mistrust."

"Today...the time calls not only for men of goodwill but for leaders of political will to eschew discord and to find solutions to the thorny but not insoluble problems facing the region," Bird said.

Added his Barbadian counterpart, Bernard St John: "Our clear assignment here in Nassau must be the identification of positive measures for immediate implementation to reverse this imbalance of extra-regional imports over regional imports, and to set intra-Caricom trade on a path of expansion. This is a most urgent and important task, for the future of Caricom, in my view, rests separately and decisively upon our commitment to remove the mass of restrictive measures now before further damage is done."

The trade problems in the community erupted early last year with Jamaica's introduction of a tiered currency exchange rate system that made products from Caricom partners uncompetitive in Kingston's market. But the bulk of the criticisms, now that Jamaica has formally devalued its currency and announced a removal of its import licencing system, were clearly levelled at Trinidad and Tobago that has introduced import restrictions to curb the outflow of foreign exchange.

Port-of-Spain is the community's most important market, but with a lowering demand and drop in the price of crude oil, which accounts for 90 per cent of its exports, the economic boom of the early 1970's has slowed. The actions of the Chambers government and the downturns of regional economies as a whole last year translated into a 200 million East Caribbean dollar (one EC dollar; 37 cents U.S.) decline in Caricom trade.

Said St John: "The reduction in intra-regional trade has resulted in a virtual crisis within Caricom. In several member states, domestic industry is left with no alternative but to retrench workers as access to the regional market become increasingly more difficult." At the same time, noted the Barbados deputy leader who is chairing the conference, imports from third countries continued to be imported "at an alarming rate." "The negative impact of this preference for third country imports over regional goods has been so enormous that inter-Caricom trade accounts for a meager 6.4 per cent of the region's total trade," he declared.

At this meeting, the ministers have before them a lot of critical products drawn up when they met recently in Antigua, for which they hope to fashion a common protective policy and sell more among member countries. Officials say that the list has something in it for everybody, and that this, plus a common protective policy for agriculture and one for garments, which are being looked at, would help to stimulate Caricom trade.

However, much of what happens will depend on the attitude taken by Trinidad and Tobago in relaxing its restrictions, as well as Jamaica. Jamaica has a balance of payments support agreement with the International Monetary Fund (IMF) which officials stress might commit it to free trade, and this might make Kingston wary of going ahead with a common protective policy. Jamaica's industry and commerce minister, Douglas Vaz, like his Trinidad and Tobago counterpart Desmond Cartey, has so far not discussed the matter publicly.

Even if the ministers resolve these issues, Caricom will still be faced with the issue of financing regional trade, since the collapse of the Caricom Multilateral Clearing Facility (CMCF) that had reached its 100 million U.S. dollar ceiling. [as received] Suggestions have been floating here for the resuscitation of this credit scheme and for other facilities to provide longer term credit, and, according to St John, regional finance ministers are expected to address the issue later this week at a meeting which officials are hurriedly looking to arrange.

Antigua's Lester Bird said: "I posit the view that if we leave here without reconciliation of the problem our people will no doubt condemn us for perpetuating a talk shop in pleasant locations." He called on his counterparts to avoid rhetoric and confrontation but to seek common ground so that they not "record another tragedy in the peoples' fight" for a better Caribbean.

CARICOM HEADS OF GOVERNMENT MEETING OPENS

Pindling Opens Summit

FL042012 Nassau Domestic Service in English 1406 GMT 4 Jul 84

[Bahamas Prime Minister Lynden Pindling's speech at opening session of Caricom summit conference in Nassau -- live]

[Excerpts] Your excellency, my brother and sister heads of governments, honorable ministers, your excellencies, members of the consular corps, members of delegations, distinguished guests: This is the first opportunity that the Commonwealth of the Bahamas has had to host a heads of government conference of the Caribbean community. When we last met in conference, we lamented the escalating tensions between North and South, we bemoaned the conflict in the Middle East and Central America, and, together, we sought ways to lift our nations' fate out of the economic quicksand and on to a plane of prosperity that each of us deemed as our birthright.

We have another new member state with us today and, therefore, I extend a hearty word of welcome to St Christopher-Nevis to this conference for the first time as an independent state. [applause] I wish also to welcome our new secretary general for whom, as such, this is his first conference of heads. [applause] Mr Rainford, I wish you every success in this challenging office and pledge my support in your effort to carry out the objectives of our community.

I think I should also mark the passing of our late brother Maurice Bishop who was with us at our last conference in Port-of-Spain but is not with us here today.

The mutual understanding amongst us should be one in which our common commitment to the ideology of Caricom regionalism recognizes that if at the end of the day we fail to act in recognition of the fact that the interests that bind us together are infinitely stronger than those that force us asunder, it would be to our peril and for this there could be no honorable eptiaph.

This meeting, Mr Chairman, provides us with at least four central challenges. First, it allows us to reflect and appraise developments within the community and to see how we have complied with the principles embodied in the Treaty of Chaguaramas. Secondly, during this summit we should also have the opportunity to address our failures with a sense of renewal in our effort to address the political, economic, and social challenges facing the community. Thirdly, during this conference we should seek the means and must stress the will to remove thrusts of whatever kind to our respective sovereignties. And fourthly, we should use this parley to explore mutually beneficial policies and programs that would have the dual effect of restoring and maintaining social order, peace, and security in the region and lead to a revival and expansion of our economies. These challenges beckon us to pursue a newer, more ennobling vision of our destiny and future. But there is still a more compelling challenge.

The states of the community are all small states and, as such, we are susceptible to external forces. In the case of the Bahamas, there recently have been determined efforts by external agencies to extend extraterritorial jurisdiction and destabilize the Bahamas. I remember states of our community have been the subject of territorial claims by their neighbors. We have noted the case of Guyana and both Guyana and Venezuela have referred the choice of a means of settlement to the secretary general of the United Nations in accordance with the provision of the 1966 Geneva Agreement. It is of some satisfaction and we note that Venezuela has given her undertaking to eschew the use of force as a means of settling this controversy. Belize, too, has been the subject of claims. The community must therefore reaffirm, as it has always done, its full support for the efforts of that government.

The threat to the sovereignty, independence, and territorial integrity of small states is serious and it must be resisted. In this regard, I call on this community to reaffirm its belief in the sanctity of treaties and respect for defined and demarking boundaries.

The first factor here is the dual political reality of our area. More island states in themselves present a number of security risks and are inherently vulnerable from within and from without. A second factor military against the process of economic integration is the deep economic recession which has pervaded the international community and bothered regional economies.

The prices of our staple exports, of tourism, bauxite, sugar, bananas, coffee, cocoa, and even petroleum have fallen, reducing the level of foreign exchange we earn to finance necessary imports. These economic difficulties have contributed greatly to declines in real income, increased unemployment, and acute balance of payments crises in the region.

I am advised that total intra-regional efforts, imports among the members of the common markets, fell from an estimated level of from 1.5 billion Eastern Caribbean dollars in 1982 to an estimated level of about 1.3 billion E.C. dollars in 1983, and that this decline continued in 1984. This downturn in trade has understandably given rise to a certain amount of tension, alarm, and despondency within the integration movement.

I hope that as a result of this conference the purveyors of doubt and the perpetrators of discord who ask "Will Caricom survive?" will receive a resounding answer: Caricom shall not only survive, Caricom shall triumph. Thank you.

Chambers Addresses Conference

FL041914 Nassau Domestic Service in English 1425 GMT 4 Jul 84

[Trinidad and Tobago Prime Minister George Chambers' speech at Caricom summit conference in Nassau -- live]

[Excerpt] Mr Chairman, Your Excellency, honorable prime ministers, honorable ministers, ladies and gentlemen:

On the occasion of the fourth conference of heads of government which was held in Port-of-Spain, Trinidad and Tobago was privileged to welcome the Bahamas formally into the community with full rights and obligations of membership. To celebrate that event, as it were, you promptly offered Nassau as the venue for this meeting, at which we are assembled here today.

I wish to say nothing, Mr Chairman, which may be construed as ungracious, but given the difficulties inherent in the integration process and the undoubted regression of that progress since heads of government last met, it is necessary for Trinidad and Tobago, without anger or acrimony, to lay bare its concerns of the danger of the integration movement becoming shipwrecked. Within recent times I have been disturbed, indeed appalled, at the invective which has been directed at Trinidad and Tobago.

The people of Trinidad and Tobago, who are normally fair-minded and generous, have begun to react to this vilification. They're becoming cynical about regional integration and are reassessing its costs and benefits. In the light of recent events, I do not think that they are being unreasonable, especially as their willingness to make sacrifices for Caricom has often been rewarded with a studied lack of appreciation, with malice, and with abuse.

For 23 years Trinidad and Tobago has borne the brunt of the heavy financial burden in ensuring that the Caribbean has been able to count on assured efficiency of services within the region and from the region to countries in North America and Europe. We have done this through LIAT [Leeward Island Air Trasnport], in which the people of Trinidad and Tobago were formerly the majority and are now a principle shareholder, and through BWIA [British West Indies Airways], of which they own 100 percent. Trinidad and Tobago, at the expense of BWIA, has also joined in formation of a specialized air freight company which was established to fill the role of regional air cargo carrier.

One of the fundamental aspirations underpinning the desire for economic integration of the region was achieving more diversification and linkages in production. Trinidad and Tobago has to its credit several important initiatives in support of these objectives, both in agriculture and in the manufacturing industry.

Trinidad and Tobago's support for the Caribbean Development Bank [CDB] in particular, and through this institution to the weaker economies in the region was further underlined by the provision of funds on concessionary terms to the CDB for on lending to meet the local costs, which could not be financed from national budgets. Indeed, another form of indirect budgetary support is Trinidad and Tobago's funding of several regional institutions located in Trinidad. The administration and continued funding of these institutions have remained the responsibility of Trinidad and Tobago single-handedly, even though the facilities and the services continue to be available to other countries in the region.

The fact, however, ladies and gentlemen, is that Trinidad and Tobago's financial surpluses have been declining in recent years and steps have had to be taken to halt that decline. Accordingly, the people of Trinidad and Tobago have been called upon to accept the need for sacrifice and restraint in recognition of the reality of economic adjustment. Notwithstanding this fact, even in the last few weeks, the Government of Trinidad and Tobago has generously assisted another Caricom state by rescheduling a debt obligation, without which that state would not have been able to conclude an urgently needed agreement with the International Monetary Fund.

The economic policy measures adopted by Trinidad and Tobago are necessary in order to protect the gains that have been made and to ensure that the economy emerges strong and vibrant from the current difficult economic situation, ready to continue its pivotal role within the integration movement.

Trinidad and Tobago has always been and even today continues to be the largest single national market in the Caribbean region. Indeed, one may well ask what kind of common market has it been with virtually one national market. I take it that it is agreed by all, Mr Chairman, that an economically strong Trinidad and Tobago is a prerequisite for the viability of the regional movement.

It has been said that the treaty does not a community make but the quality of relationships between its membership gives life and constant freshness to the formal page and parchment. I subscribe unreservedly to this view and it is for this reason that I respectfully propose to my colleagues that we cannot proceed on the basis of business as usual. To do otherwise or to proceed in any other manner would be at best to delude ourselves and at worst to be untrue to the mandate given us by our people. For me, ladies and gentlemen, I am unable to participate in deluding the people of Trinidad and Tobago and in betraying their trust. It is a fact that the quality of our relationships has deteriorated and we must decide how we come to terms with that. I submit, therefore, that the only issue before this conference is whether or not the integration movement is to continue and if so, on what terms and conditions. In taking this position, I assume that our expected outcomes are not irreconcilable and that there is still room for meaningful and constructive dialogue.

Adams Urges Cooperation

FL041726 Nassau Domestic Service in English 1443 GMT 4 Jul 84

[Barbados Prime Minister John Adams' speech before the Caricom summit conference in Nassau -- live]

[Excerpts] Your excellencies, Mr Secretary General, fellow heads of governments, ladies and gentlemen: First of all, let me pay particular tribute to the Government and people of the Bahamas who kindly agreed 1 year ago to be host of this conference. The Bahamas' offer came immediately after the country had demonstrated a deepening commitment to the Caribbean community by signing and depositing a formal instrument of ratification by which it became a full member of Caricom. We all look forward to the even deeper involvement of the Bahamas in our community's affairs as we work together to give further impetus to the regional integration movement.

I would also like to congratulate you, Mr Secretary General, on your appointment and to assure you of the confidence which we have in your ability to shoulder the responsibilities of the post in these times of obvious crises in the community. You may rest assured that the secretariat will have the full support of Barbados in the efforts to strengthen the integration movement.

May I also take this opportunity to extend congratulations to Prime Minister Kennedy Simmonds, who is participating in this for the first time in the capacity of prime minister of an independent St Christopher and Nevis. And, finally, I wish to welcome to this conference the representative of the interim government of Grenada.

Much water has flowed under the bridge since the 10th anniversary conference of Port-of-Spain. And that we have in all circumstances agreed to meet at this time, in what is hopefully a happy augury, may perhaps indicate that the factors which unite us are stronger than those which divide us.

Even so, I would like to join with the prime minister of Trinidad and Tobago, without being alarmed, and suggest that we should undertake our deliberations with a sense of a special urgency and seriousness.

Caricom and the Caribbean are, for compelling economic and political reasons, more important to us than ever. Since the 4th conference the regional integration movement has sustained quite a hammering. Hardly any of the economic difficulties and barriers which we identified have been overcome, and some are being made worse.

It seems to me, therefore, that we all need to make both domestic and regional efforts to convince our people that restraint and cooperation are required in the present circumstances. The major economic challenge of this conference is then pergaps (?an approach) to harmonize the domestic constriants with the demands and principles of the economic community. Deep [word indistinct] and respect are the regional dimensions of paramount importance.

Mr Chairman, hardly had we left the table of our 10th anniversary conference when we were overtaken by the shattering events of October last. At the very outset of this conference, I wish to emphasize that my delegation will do everything to ensure that there will be no unnecessary reopening of old wounds. I am of the view that, in respect to the causes and consequences of those events, there is great wisdom in observing at this conference a quality of least said, soonest mended.

We should not indulge in recriminations; rather let us set about healing the breeches and creating the basis for reconstruction in the future. The rebuilding of Grenada demands the support and assistance from all of us in the community. Just as it is necessary to rebuild Grenada, it is essential to reestablish our fraternal bilateral relationships.

Meeting as we are in these pleasant surroundings, I am confident that there is the opportunity to resolve any lingering differences over last October's events, and over indeed other matters which have already been canvased this morning. For we cannot allow such difficulties to deflect us from our sense of purpose in achieving the greater goal of Caribbean unity.

During the next few days we will have an opportunity to discuss political topics and perceptions that will inform on the difficult economic decisions that have to be taken. We have to accept that the total harmonization of foreign policy is at the moment utopian, but at this period of time we must endeavor to find more of a modicum of compatibility, including consensus on a measure of collective, regional security that would protect rather than jeopardize our individual sovereign independence and territorial integrity. More about this later.

Caricom, or at least some variant of it, is essential to our continued well-being and must be a part of our future. If the approach to people's political integration needs to be cautious because of the [word indistinct] twice shy, then indeed, the functional emphasis on cooperation and respect of economic matters, education, civil aviation and shipping, and so on, is prudent. It is perhaps time to look again in the areas such as a judiciary and police then an effort must be made in my view to achieve a measure of security and protection at the regional level [as heard].

In the establishment of any security machinery, everything ought to be done to ensure that that machinery is not a mechanism for (?shoring) up the credited regimes or for more than a legitimate protest. The machinery should protect those who conform to it and defend it from threats to liberty, especially those externally formulated.

Protection against a legitimate internal unrest should not, in the future, be dependent only on superpower or other forms of extra-regional intervention. At the same time we cannot go down the road toward costly individual spending on arms and munitions which may aggravate conditions in an already struggling economy.

Compton Calls for Unity

FL042050 Nassau Domestic Service in English 1459 GMT 4 Jul 84

[St Lucia's Prime Minister John Compton's speech at opening session of Caricom summit conference being held in Nassau -- live]

[Excerpts] Mr Chairman, Your Excellency, fellow heads of government, ministers, members of delegations, ladies and gentlemen: It is a pleasure once again to be in the Bahamas and to share with the people the charm and beauty of these islands and to sample once again the hospitality for which the people are justly renowned.

Since we last met, Mr Chairman, all was not accolades and bouquets. The community within recent months underwent strains and stresses in both the political and the economic compartments which appeared to threaten its very existence and which gave the prophets of doom a field day in writing its epitaph. That we are meeting here today is a tribute not only to the maturity of Caribbean leadership but even more to the relevance of the spirit of Caribbeanism, which is strong enough to stand the stresses and differences which, as in past times, will inevitably beset the organizations such as the Caribbean Community [Caricom].

One such difference resulted from the action initiated by the Organization of East Caribbean States to remove from its midst a threat to the very existence of independent and democratic nations. And though we regret that all countries of the community did not share our perception of this threat to our security and consequently did not support our action taken to remove it, our faith in the Caribbean Community and the behavior of Caribbean cooperation and integration is steadfast and unshakable. And we will continue to persist in our endeavors in fostering cooperation at all levels among member states.

World events had an impact not only in the political field but also in the economic. The difficulties experienced by our major Caricom trading partners have had an effect upon the levels of industrial activity and employment throughout the region. And as the storms clouds gathered, we attempted to retreat into our little fortresses and surround out beleaguered economies with licenses, quantitative restrictions, and other impediments to free trade. But it was precisely for these circumstances that the regional movement was created, and rather than retreat we should -- when difficulties arise -- embark upon a realistic reassessment of our objectives and the instruments which we have fashioned to achieve them. The meeting of the heads of government comes therefore at a very opportune time.

In a world which is sometimes hostile and more indifferent to the plight of small states, the best guarantee of our countries' existence is within the framework of the Caribbean Community which we have freely created for our own protection and advancement. This organization we must build and strengthen and protect against outside interference.

Under the guise of ideological pluralism there have been until recently attempts to divide us as a community. But the Caribbean Community is not and has never been ideologically homogeneous. In spite of our different roads to economic and political development, what each of us had until one recent alien intrusion was independence in the field of foreign policy, with decisions taken at various councils without referendum [as heard] to no one except our own cabinets. It is when we have to satisfy interests outside of our organizations and governments that the seeds of disharmony and disruption are sown. In the field of foreign policy, therefore, as independent nations, we must be masters in our own house.

In order to influence events in the world outside of our region, it is imperative that we harmonize our policies and fashion instruments which reflect the ambitions and articulate the goals and objectives of the Caribbean as a region. With our present approach, we will have frittered away the principal assets and coinage of our independence, and we shall always be what we were contemptuously described as: specks of dust continuously getting into somebody's eyes. In this age of superpowers, of large regional blocs, small countries such as our own have little hope of survival as independent nations without an effective regional umbrella. Such an umbrella is provided in the Caricom Treaty but has been seldom employed. As we prepare ourservles to enter the year 2000, the greatest challenge we now face is our survival as a people -- a group -- identifiable and recognizable as Caribbean.

As we now stand at the crossroads of history and chart our course for the next decade, it will be useful for us to pause and look back at our achievements and the methods we employed to attain them. In every field where success has met our endeavors, such success came only when we acted together.

Let us now translate these (?advancements) of the past into our future conduct and, as we meet here in the Commonwealth of the Bahamas, let us take our inspiration from its motto and move forward, move upward, and move onward together. Thank you. [applause]

NETHERLANDS ANTILLES

NEW ST MARTIN, ARUBA GOVERNMENTS SOUGHT

FL031156 Hilversum International Service in English 1000 GMT 3 Jul 84

[Text] The governor of the Netherlands Antilles, Dr Rene Romer has asked the political leader of St Martin, Claude (Wate) to look into possibilities of forming a new government. Mr (Wate) made this known at a meeting of his party in St Martin. He called on the Aruban leader Gilberto Croes to form a new government as a way for Mr Croes to realize his goals.

Meanwhile, the Dutch Minister of Antillean Affairs Jan de Koning has prepared to resume negotiations on a cooperative agreement between Aruba and the five other Antillean islands. Minister de Koning said in an interview on Dutch radio that there was room to talk about a union among the five islands and Aruba. At the round table conference last year, it was agreed that Aruba and the other five islands would conclude such an agreement once Aruba had obtained special status within the Kingdom. The other five islands decided on St Martin during the past weekend, however, to reject the union with Aruba.

BOUTERSE CRITICIZES CONDITIONS FOR IMF LOANS

FL042051 Bridgetown CANA in English 2004 GMT 4 Jul 84

[Text] Paramaribo, Suriname, July 4, CANA -- Military strongman Desi Bouterse has come out against some of the conditions of the International Monetary Fund (IMF) for balance of payments support to shore up the country's ailing economy, the SURINAME NEWS AGENCY said today. The agency said Bouterse made the announcement at a news conference yesterday. Bouterse said he supports subsidies on essential goods, including imports, a policy frowned upon by the IMF. The Fund had also recommended a devaluation of the Suriname guilder and relaxation of price controls in return for substantial economic aid, he added. The agency did not say whether Bouterse made any specific comment on those conditions.

Late last year the South American state negotiated a 100 million U.S. dollar loan from the IMF. But proposed tax increases included in the loan conditions sparked worker protests and forced the left wing government to pull out of the agreement. But the country has since restarted talks with the Fund. The embattled economy has been hard hit by low world prices for bauxite which provides 80 per cent of Suriname's foreign exchange earnings. A wave of strikes in the industry at the beginning of the year has added to the difficulties.

The Army commander told newsmen that "the most urgent issue at the moment is that we must not put ourselves in a position in which essential imports cannot be paid for." Bouterse continued: "We must try to bring into balance our imports and export of goods and services. Besides this, efforts will have to be made to obtain foreign exchange by increasing exports, and perhaps by obtaining loans, and through economic cooperation." He said that the country's imports should continue to be regulated in order to avoid irregularities which were experienced in the past. He urged that caretaker government should spend more in order to increase job opportunities.

On his forthcoming visit to Nicaragua, Bouterse said he accepted the invitation on the grounds that Suriname, like Nicaragua, is involved in a revolution and that both countries have "a common enemy" which always supported counterrevolutionary activities. He is thought here to be referring to the United States. He said that during the commemoration of five years of the Nicaraguan revolution, the possibilities will be looked into to further expand relations between the two countries. Bouterse came to power on February 25, 1980 and has survived several attempts to unseat him.

BOUTERSE ON 'SUMMIT MEETINGS' WITH NETHERLANDS

PA040019 Hilversum International Service in Spanish 2330 GMT 3 Jul 84

[Text] According to Desi Bouterse, commander in chief of the Surinamese Army, several summit meetings have been held recently between the Netherlands and Suriname. During a press conference in Paramaribo, Bouterse said that clear-cut agreements will be concluded in the near future between the two countries at a level of state officials. However, the commander in chief of the Surinamese Army did not elaborate on what he described as secret summit meetings. He did not describe the nature of the agreements to be concluded. A spokesman for the Netherlands Foreign Ministry at The Hague said he was not fully aware of the talks described by Desi Bouterse as top level.

DOMINICAN REPUBLIC

INESPRE ANNOUNCES GASOLINE PRICE INCREASE

FL021044 Santo Domingo Radio Popular in Spanish 0930 GMT 2 Jul 84

[Summary] Engineer Jose (Luinche), executive director of the National Institute of Price Stabilization [INESPRE], has announced that the Dominican Republic Government will increase the price of gasoline in the next few days.

PERU

BOMB DISCOVERED, DEFUSED IN JUSTICE MINISTRY

PY042138 Paris AFP in Spanish 2049 GMT 4 Jul 84

[Text] Lima, 4 Jul (AFP) -- It was learned here today that a bomb that was placed at the Justice Ministry headquarters, located to the left side of the presidential palace in Lima, was discovered and defused. The bomb, made up of seven dynamite sticks, was discovered in one of the bathrooms in the second floor of the building. Republican Guard specialists defused it and removed it before it went off.

This is the second time that terrorists, presumably from the Shining Path, a Maoist group, have attacked the Justice Ministry in downtown Lima. On 10 March 1982, bombs were hurled at the building from across the street. Those bombs went off at the Justice Ministry building terrace, causing minor damage.

INTERIOR MINISTER VIEWS COMMUNIST INFILTRATION

PY041532 Lima Diplomatic Information Service in Spanish 0530 GMT 4 Jul 84

[Text] Peruvian Interior Minister Luis Percovich has asked all Peruvians to courageously and decisively oppose the criminal activities of the extremist organization Shining Path which, he said, has undoubtedly been ideologically infiltrated by the PRC, Cuba, and the Soviet Union. However, he emphasized: "We do not blame the governments of these nations but their ideology."

URUGUAY

MAESO CONFIRMS BOLIVIAN REFUGEES IN EMBASSY

PY031508 Buenos Aires TELAM in Spanish 1429 GMT 3 Jul 84

[Text] Montevideo, 3 Jul (TELAM-DPA) -- Uruguayan Foreign Minister Carlos Maeso today confirmed that three Bolivian citizens, apparently involved in the kidnapping of Bolivian President Hernan Siles Zuazo, have sought shelter in the Uruguayan Embassy in La Paz and requested political asylum.

Maeso, who refused to supply the names of the three refugees, said that in keeping with international law the Uruguayan Government is investigating whether the reasons given by the persons in question to seek shelter at the Uruguayan Embassy are justified. He added that once this evaluation is concluded, the Uruguayan Government will decide whether or not to grant political asylum.